CapitaLand

CAPITALAND LIMITED
ANNUAL REPORT 2010

FIRM FOUNDATION
LEADING EDGE INNOVATION
IN THE **FIRST**

READY
FOR THE **NEXT**

10 YEARS

ACHIEVED TOTAL NET PROFIT OF **S$7.4 BILLION** IN THE LAST FIVE YEARS

UNIQUE **MULTI-SECTOR** AND **MULTI-GEOGRAPHY** REAL ESTATE COMPANY WITH **COMPLETE VALUE CHAIN** COMPETENCY

MANAGES **S$50.6 BILLION** OF REAL ESTATE ASSETS

MORE THAN **110 CITIES** IN OVER **20 COUNTRIES**

CORPORATE PROFILE

CapitaLand is one of Asia's largest real estate companies. Headquartered and listed in Singapore, the multi-local company's core businesses in real estate, hospitality and real estate financial services are focused in growth cities in Asia Pacific and Europe.

The company's real estate and hospitality portfolio, which includes homes, offices, shopping malls, serviced residences and mixed developments, spans more than 110 cities in over 20 countries. CapitaLand also leverages on its significant asset base, real estate domain knowledge, financial skills and extensive market network to develop real estate financial products and services in Singapore and the region.

The listed entities of the CapitaLand Group include Australand,CapitaMalls Asia, CapitaMall Trust, CapitaCommercial Trust, Ascott Residence Trust, CapitaRetail China Trust, CapitaMalls Malaysia Trust and Quill Capita Trust.

CREDO

Building for People to Build People
Building People to Build for People

MISSION

Our mission is to build a world-class company with international presence that

- **Creates sustainable shareholder value**
- **Delivers quality products and services**
- **Attracts and develops quality human capital**

VISION

A world-class entrepreneurial, prosperous and lasting real estate company led and managed by people with core values respected by the business and social community.

A leading real estate company in Asia, reputed for its innovative and quality real estate products and services.

A company with a strong global network of long-term investors and blue-chip partners.

A company which attracts, develops and retains a diversity of talents regardless of nationality, race or age.

A company which consistently creates value for shareholders.

CONTENTS

FINANCIAL HIGHLIGHTS

5th Consecutive Year of Above S$1 Billion Net Profit

S$1.27 billion — Profit attributable to Shareholders

S$2.38 billion — Earnings Before Interest and Tax

9.2% — Return on Shareholders' Funds

7.1% — Return on Total Assets

S$50.6 billion — Group Managed Real Estate Assets

S$7.2 billion — Revenue Under Management

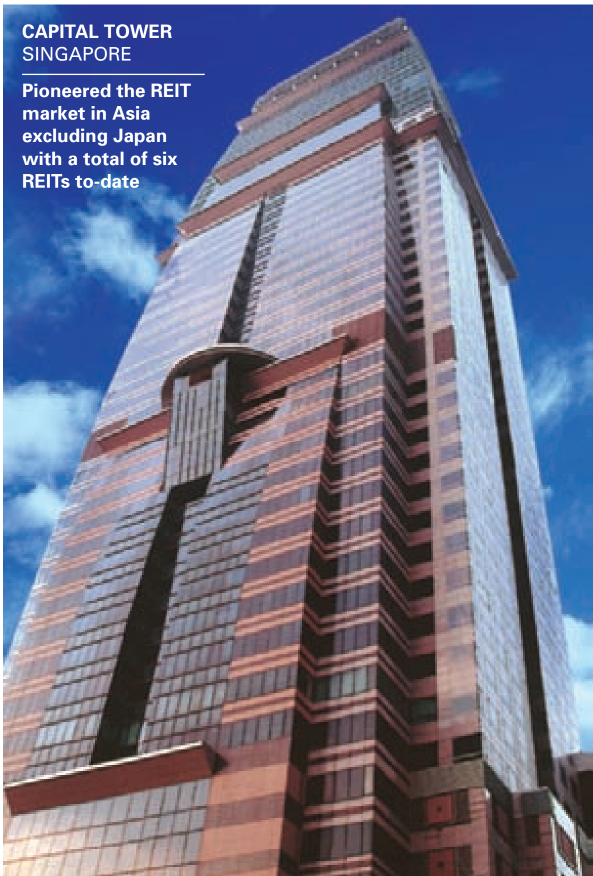
5-YEAR FINANCIAL SUMMARY

	2006	2007	2008	2009	2010
(A) INCOME STATEMENT (S$ million)					
Revenue by SBUs					
CapitaLand Residential Limited [1]	2,356.0				
CapitaLand Residential Singapore		548.7	400.2	673.8	**843.2**
CapitaLand China Holdings		985.3	330.3	647.0	**573.5**
CapitaLand Commercial	139.2	165.7	227.9	144.9	**337.8**
The Ascott Limited	478.1	459.5	441.8	393.7	**407.4**
CapitaLand Financial	101.2	119.2	182.2	162.2	**116.2**
CapitaMalls Asia	94.6	124.2	206.7	228.9	**245.4**
Australand		1,406.7	984.3	732.5	**879.8**
Others	(21.4)	(16.6)	(21.1)	(25.6)	**(20.6)**
Total	3,147.7	3,792.7	2,752.3	2,957.4	**3,382.7**
Earnings Before Interest and Tax (EBIT) by SBUs					
CapitaLand Residential Limited [1]	692.2				
CapitaLand Residential Singapore		308.6	175.0	371.7	**351.5**
CapitaLand China Holdings		403.4	883.4	551.2	**682.4**
CapitaLand Commercial	372.4	1,876.7	395.6	(497.4)	**264.2**
The Ascott Limited	202.5	337.2	132.2	31.4	**173.0**
CapitaLand Financial	61.6	69.7	90.4	98.0	**103.0**
CapitaMalls Asia	221.1	297.9	298.6	449.1	**472.4**
Australand		470.0	169.6	(240.8)	**311.9**
Others	264.3	60.5	68.7	785.8	**25.8**
Total	1,814.1	3,824.0	2,213.5	1,549.0	**2,384.2**
Net Profit attributable to Shareholders	1,012.7	2,759.3	1,260.1	1,053.0	**1,273.1**
(B) BALANCE SHEETS (S$ million)					
Investment Properties	5,668.3	6,777.4	4,848.9	5,058.5	**4,732.9**
Development Properties for Sale and Stock	3,622.7	3,540.8	3,347.2	3,590.2	**5,419.4**
Associates and Joint Ventures	4,749.9	6,450.7	7,864.6	8,684.2	**10,110.4**
Cash and Cash Equivalents	2,684.9	4,356.0	4,228.4	8,729.7	**7,190.1**
Other Assets	3,866.4	4,716.4	4,794.5	4,103.4	**4,247.4**
Total Assets	20,592.2	25,841.3	25,083.6	30,166.0	**31,700.2**
Equity attributable to owners of the Company	7,367.7	9,940.9	10,681.7	13,408.3	**14,170.7**
Total Borrowings	8,129.8	9,916.1	9,829.3	10,312.6	**10,358.0**
Non-Controlling Interests and Other Liabilities	5,094.7	5,984.3	4,572.6	6,445.1	**7,171.5**
Total Equities & Liabilities	20,592.2	25,841.3	25,083.6	30,166.0	**31,700.2**
(C) FINANCIAL RATIOS					
Earnings per share (cents)	36.6	98.6	37.0	26.2	**29.9**
Net Tangible Assets per share (S$)	2.64	3.53	3.57	3.03	**3.22**
Return on Shareholders' Funds (%)	14.5	31.9	12.2	8.7	**9.2**
Return on Total Assets (%)	8.7	15.7	7.9	5.5	**7.1**
Dividend					
First & final dividend per share (cents)	7.0	8.0	5.5	5.5	**6.0**
Special dividend per share (cents)	5.0	7.0	1.5	5.0	-
Total dividend per share (cents)	12.0	15.0	7.0	10.5	**6.0**
Dividend cover (times)	3.2	6.5	4.2	2.4	**5.0**
Debt Equity Ratio (net of cash) (times)	0.58	0.47	0.47	0.09	**0.18**
Interest Cover (times)	9.73	13.64	5.50	4.54	**7.00**

Note:
For changes in accounting policies, adoption of new and/or revised accounting standards, as well as changes in the presentation of financial statements for the respective financial year under review, only the comparative figures for the previous year were restated to conform with the requirements arising from the said changes or adoption.

(1) With effect from 1 April 2008, CapitaLand Residential Limited SBU was reorganised into 3 main components, namely, CapitaLand Residential Singapore, CapitaLand China Holdings and CapitaLand's holding in Australand.

FIRM FOUNDATION
LEADING EDGE INNOVATION



CAPITAL TOWER
SINGAPORE

Pioneered the REIT market in Asia excluding Japan with a total of six REITs to-date

NUMBER OF SHOPPING MALLS
5 to
91

JINNIU MALL
CHENGDU
CHINA

Early-mover advantage for shopping malls in China

ASSETS UNDER MANAGEMENT
S$0.27B to
S$30.4B

THE LOFT
CHENGDU
CHINA

First earthquake-proof high-rise condominium community in China

OVERSEAS ASSETS
25% to
56%

RIVERGATE
SINGAPORE

First residential development in Singapore to be accorded landmark status by Urban Redevelopment Authority

FIRST
10 YEARS

THE PONDS
NEW SOUTH WALES
AUSTRALIA

Australand is one of the most successful diversified property groups in Australia

ION ORCHARD AND THE ORCHARD RESIDENCES
SINGAPORE

Transformed the retail landscape and set new benchmarks for super-luxury residential developments in Singapore

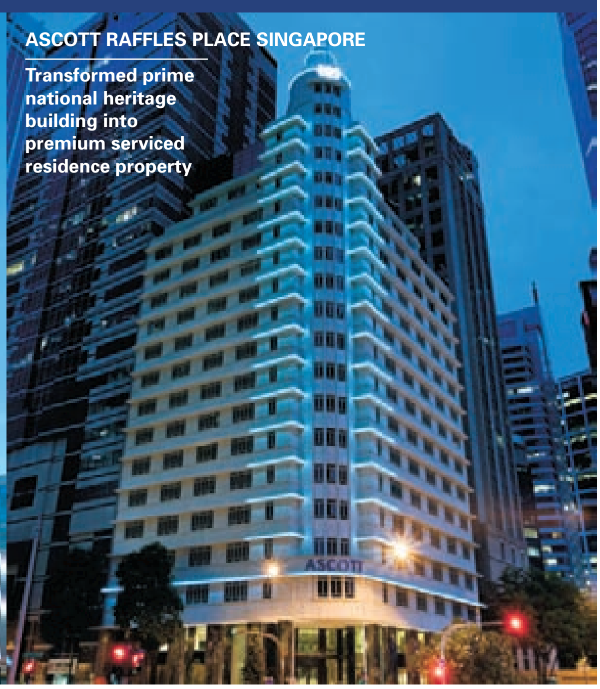
UNITS OF SERVICED RESIDENCES

6,000 to

OVER 26,000

RAFFLES CITY SHANGHAI
CHINA

Exported Singapore's 'Raffles City' brand globally (seven Raffles City developments in China)



ASCOTT RAFFLES PLACE SINGAPORE

Transformed prime national heritage building into premium serviced residence property

READY

THE STRATEGY GOING FORWARD

CAPACITY:

CASH OF S$7.2B AND NET GEARING OF 0.18

GROW CHINA BUSINESS

TARGET 45% OF CAPITALAND'S BUSINESS

THE PINNACLE
SHANGHAI
CHINA

ASCOTT GUANGZHOU IFC
CHINA

BUILD ASCOTT'S GLOBAL DOMINANCE

GROW TO 40,000 UNITS BY 2015

JCUBE
SINGAPORE

RAFFLES CITY HANGZHOU
CHINA

EXPAND IN VIETNAM

GROW TOTAL ASSETS FROM S$400M TO S$2B OVER NEXT 3-5 YEARS

NEXT
10 YEARS

BEDOK TOWN CENTRE SITE
SINGAPORE

GROW FINANCIAL SERVICES FRANCHISE

ORIGINATE NEW REAL ESTATE FUNDS AND FINANCIAL PRODUCTS IN SINGAPORE, CHINA, VIETNAM AND MALAYSIA

RAFFLES CITY CHENGDU
CHINA

INCREASE PRESENCE IN SINGAPORE

SINGAPORE, A GLOBAL CITY

EXTEND LEADERSHIP IN PAN-ASIAN SHOPPING MALL BUSINESS

TARGET TO GROW CHINA TO 40% OF CAPITAMALLS ASIA'S BUSINESS

HONGKOU PLAZA
SHANGHAI
CHINA

SITE AT MO LAO WARD
HANOI
VIETNAM

GROW CAPITAVALUE HOMES BUSINESS

BUILD 10,000-15,000 AFFORDABLE HOMES ANNUALLY OVER NEXT 3-5 YEARS

LETTER TO SHAREHOLDERS

DR HU TSU TAU
CHAIRMAN

LIEW MUN LEONG
PRESIDENT & CEO

S$7.4b

Over the last five years, CapitaLand has achieved total net profit of S$7.4 billion

For the fifth consecutive year, CapitaLand has recorded net profit after tax and minority interests exceeding S$1 billion. Over the last five years, CapitaLand has achieved total net profit of S$7.4 billion. The sustained profitability is the result of the Group's aggressive growth strategy, financial discipline and focus on capital productivity. During the year, the Group continued to invest for future growth by committing over S$6 billion of new investments. It entered 2011 with a strong cash position of S$7.19 billion and healthy net debt-to-equity ratio of 0.18 as a result of its successful capital recycling strategy. This provides the Group with the flexibility and capacity to seize opportunities quickly in a global economic environment that experiences increasingly shorter cycles.

The achievements in FY2010 are the result of the solid foundation laid since the inception of CapitaLand 10 years ago. In November 2000, pursuant to the merger between Pidemco Land and DBS Land, the newly-formed CapitaLand was largely a Singapore-centric real estate developer with overseas assets accounting for just 25% of its asset base. Overseas assets have since grown to 56% of our asset base. Furthermore, the Group's net debt-to-equity ratio was relatively high at 0.92 (compared to 0.18 today).

Multi-sector and multi-geography real estate company with operations across 110 cities in over 20 countries

BUILDING THE FOUNDATION

After a decade of transformation, CapitaLand is now one of Asia's largest real estate companies, with a total group market capitalisation of almost S$40 billion. We have grown into a multi-sector and multi-geography real estate company with operations which span across 110 cities in over 20 countries, largely in Asia Pacific and Europe. We have established leadership positions in various real estate sectors, namely homes, shopping malls, offices, serviced residences and integrated developments. Our real estate fund management business is also one of the largest in Asia with total Assets Under Management (AUM) of more than S$30 billion comprising six listed Real Estate Investment Trusts (REITs) and 17 real estate private equity funds.

Our competency across the complete value chain of investing, developing, operating and managing real estate assets differentiates us from most other real estate companies. Through strategic capital management, we have strengthened our financial standing beyond achieving a low debt exposure. Financial flexibility has been greatly enhanced as we successfully nurtured our access to the debt capital market, thereby diversifying our funding sources. An aggressive growth strategy, strategic capital management, financial discipline and a focus on talent development have produced sustained profitability for the Group despite many market challenges over the years.

An aggressive growth strategy, strategic capital management, financial discipline and a focus on talent development have produced sustained profitability for the Group despite many market challenges over the years

DELIVERING THE RESULTS

Revenue for FY2010 was S$3.38 billion, 14% higher than FY2009. For FY2010, revenue came from brisk home sales, and contributions from development projects in Singapore, China, Australia and Vietnam. Net profit recorded a 21% increase to S$1.27 billion. Group's Earnings Before Interest and Tax (EBIT) rose 54% to S$2.38 billion with overseas operations accounting for 60% or S$1.44 billion. CapitaLand China Holdings was the largest contributor, achieving EBIT of S$682 million (up 24%), benefiting from the divestment of a majority stake in Raffles City Changning, Shanghai. CapitaLand Residential Singapore (CRS) continued to record high EBIT with S$352 million in FY2010. The Ascott Limited (Ascott), the Group's serviced residence business unit, saw a strong 451% increase in EBIT to S$173 million on the back of portfolio gains, higher occupancy and Revenue per Available Unit (RevPAU).

S$3.38b

Revenue for FY2010 was S$3.38 billion, 14% higher than FY2009

With the latest performance, the Directors are pleased to propose a first and final dividend of 6 cents per share for FY2010.

RESIDENTIAL

Our residential business was a strong contributor in 2010. Healthy sales were recorded in our core markets of Singapore, China, Australia and Vietnam. During the year, we sold 800 homes in Singapore with a total sales value of S$1.85 billion, a 54% increase. This achievement can be attributed to our focus on mid- to high-end projects in preferred locations, which continue to be attractive to local and international homebuyers and investors. We were also bold in creating unique and iconic landmark projects which set a new benchmark for Singapore's residential landscape.

S$1.85b

Achieved a 54% increase in total sales to S$1.85 billion with 800 homes sold in Singapore

The Interlace, with a unique design by renowned architecture firm Office for Metropolitan Architecture (OMA), received a lot of interest. We have sold approximately 94% of the 650 units released by end-2010, and will release more units in 2011.

Similarly, d'Leedon, which is designed by Zaha Hadid – a world-renowned and Pritzker Architecture Prize-winning architect – will be an iconic residential development on the site of the former Farrer Court. About 93% of the 250 units released for initial sales at the 1,715-unit condominium have been sold as at end-2010.

In 2010, we acquired a prime site in Bedok Town Centre and, together with CapitaMalls Asia (CMA), plan to build an integrated development with 500 apartments above a shopping mall in one of Singapore's busiest town centres. We aim to be a top three developer, with 15% market share in terms of units sold, through capitalising on our strong financial position to replenish our development portfolio with prime sites.

Our China residential business enjoyed another robust year with a 23% rise in units sold to over 2,900 units and a total sales value of RMB5.4 billion (S$1.1 billion). Beaufort, The Pinnacle, The Metropolis and The Loft achieved strong sales at prices which were in line or above our expectations. The Government's recent measures to curb excessive speculation are aimed at ensuring a healthy and sustainable property market. The measures have limited impact on our business in China which has a balanced portfolio of properties in the different sectors. The sustained demand for homes in China and the profitability of our business there vindicates our aggressive expansion over the last 16 years.

S$10b

China is today our largest overseas market with assets of S$10 billion, or 36% of our balance sheet comprising residential, shopping malls, serviced residences and our 'Raffles City' branded developments

From a business which accounted for less than 5% of our balance sheet in 2000, China is today our largest overseas market with assets of S$10 billion, or 36% of our balance sheet (excluding cash reserves held at Treasury level), comprising not only residential developments but also shopping malls, serviced residences and our 'Raffles City' integrated developments.

The journey over the last 16 years has been a challenging but rewarding one as CapitaLand Group is today the leading foreign developer in China having completed over 11,000 homes. The wealth of market knowledge acquired over the years has enabled us to grow our presence through astute land acquisition as in the case of the US$2.2 billion (S$3.1 billion) purchase of Orient Overseas Developments Limited (OODL). We will continue to expand our business and grow our pipeline of 15,000 residential units, as at end-2010, to ride on the robust economic growth of the second largest economy in the world.

Vietnam is a relatively new market for our residential business but our presence in the country began through our serviced residence business 16 years ago. We have managed to quickly build a brand with the successful topping-out of our first residential project, The Vista, in Ho Chi Minh City. Leveraging on our growing reputation as a quality developer, we launched our second project, Mulberry Lane, in Hanoi. We also signed new joint venture agreements with two leading real estate developers to develop two residential projects, one each in

Ho Chi Minh City and Hanoi. This brings our residential portfolio in Vietnam to over 4,500 apartments, comprising four prime residential developments and an affordable housing development that is under our new strategic business unit, CapitaValue Homes, which focuses on building affordable homes in Asia.

While there are short term challenges such as inflation and currency devaluations, we see vast potential in the country given its young and hardworking population, robust economic growth and rapid urbanisation. We intend to grow our presence by progressively raising the Group's total asset size in Vietnam from S$400 million currently to S$2 billion in the next three to five years.

Over the past decade, Australand has been a significant contributor to CapitaLand's bottom line. In 2010, Australand recorded a solid profit contribution of S$123 million on the back of rental income growth in the Investment Property division and strong sales from its residential development activities. During the year, Australand sold 1,544 residential lots with a total sales value of A$538 million (S$689 million).

Australand's Commercial and Industrial division also saw increased levels of activity particularly in the industrial sector where land sales have recovered and demand improved for well-located logistics facilities. The office sector is expected to see improved trading conditions in 2011. Given the positive macro-economic factors in Australia and its strengthened financial standing, we expect Australand to continue its growth path and contribute positively to CapitaLand Group. A major achievement in 2010 has been Australand's inclusion into the S&P/ASX 200 A-REIT and S&P/ASX 300 A-REIT Indices which are key property indices widely tracked by fund managers. During the course of 2010, Australand's share price appreciated by 13%, outperforming many of its major peers in Australia.

OVER
4,500
APARTMENTS

In Vietnam, we have over 4,500 apartments comprising four prime residential developments and an affordable housing development

S$123m

Australand recorded solid profit contribution of S$123 million on the back of rental income growth in the Investment Property division and strong sales from its residential development activities


d'Leedon, a 1,715-unit condominium in Singapore

LETTER TO SHAREHOLDERS

Raffles City Changning, Shanghai, one of CapitaLand's seven Raffles City developments in China

Grew our Raffles City portfolio by adding two more projects in Shenzhen and Changning, Shanghai

INTEGRATED DEVELOPMENTS

Integrated development has been one of CapitaLand's strengths and our nine Raffles City integrated developments have become a well-recognised brand in Asia. The three completed developments in Singapore, Shanghai and Beijing achieved strong occupancy for both their office and shopping mall space. In 2010, we continued to grow our Raffles City portfolio by adding two more projects in Shenzhen and Changning, Shanghai. The two massive developments with a combined GFA of just under 500,000 sqm are located close to train lines and will incorporate a balanced mix of retail space and commercial elements catering to the residences of the vibrant neighbourhoods.

Starting with just one Raffles City project in Singapore, CapitaLand has rapidly grown the Raffles City portfolio across Asia. Drawing from the success of the completed projects, we have quickly built a pipeline of new Raffles City developments in prime sites within Chengdu, Ningbo, Hangzhou, Shenzhen and Shanghai. These are currently under construction and expected to be completed between 2012 and 2015. CapitaLand will continue to build on the success of its Raffles City brand by carefully identifying and securing ideal prime sites within Asia, adding to its existing portfolio of nine projects across Asia. Moving ahead, we will seek ways to capitalise on the Raffles City brand franchise.

S$30.4b

Group's Assets Under Management grew by 19% to S$30.4 billion

FINANCIAL SERVICES/REAL ESTATE INVESTMENT TRUSTS

CapitaLand Group's Assets Under Management (AUM) grew by 19% to S$30.4 billion during the year, inclusive of CapitaMalls Asia's AUM. Total fees arising from fund management services amounted to about S$184.3 million for the Group. Starting with just one fund with an asset size of S$0.3 billion in November 2000, CapitaLand is today one of the largest Asian real estate fund managers. To date, the Group has originated six REITs and 21 real estate private equity funds. Of the private equity funds, four have successfully matured.

In 2010, the Group upsized Raffles City China Fund from US$1 billion to US$1.18 billion and injected Raffles City Ningbo into the Fund, increasing the Fund's portfolio of properties to five Raffles City integrated developments. In addition, three retail assets in Malaysia, with a total value of RM2.1 billion as at end-2010, were injected into a REIT for listing on the Main Market of Bursa Malaysia Securities Berhad. Ascott Residence Trust (Ascott Reit) acquired 28 properties in Asia and Europe from Ascott, almost doubling its portfolio value to S$2.71 billion in 2010. We also closed two joint venture funds, one investing in residential developments in Vietnam and the other to develop Raffles City Changning in Shanghai, China. These funds are in line with the Group's strategy, enabling us to recycle capital for new investments and to develop, warehouse and incubate retail, office, residential, serviced residence and integrated developments. Our real estate private equity funds and REITs are an important platform contributing to the growth of our real estate business.

SHOPPING MALLS

CapitaMalls Asia (CMA) continues to grow from strength to strength. Strong rental performances in our core markets of Singapore, China and Malaysia have contributed S$276 million to CapitaLand's bottom line. Our malls continue to experience strong growth in both shopper traffic and tenants' gross turnover.

During the year, CMA committed almost S$2 billion in six new projects in Singapore, China and Malaysia, double its 2010 target of S$800 million to S$1 billion. These acquisitions have strengthened CMA's leading positions in its key markets of Singapore and China, and signify its commitment to grow in Malaysia – another key market.

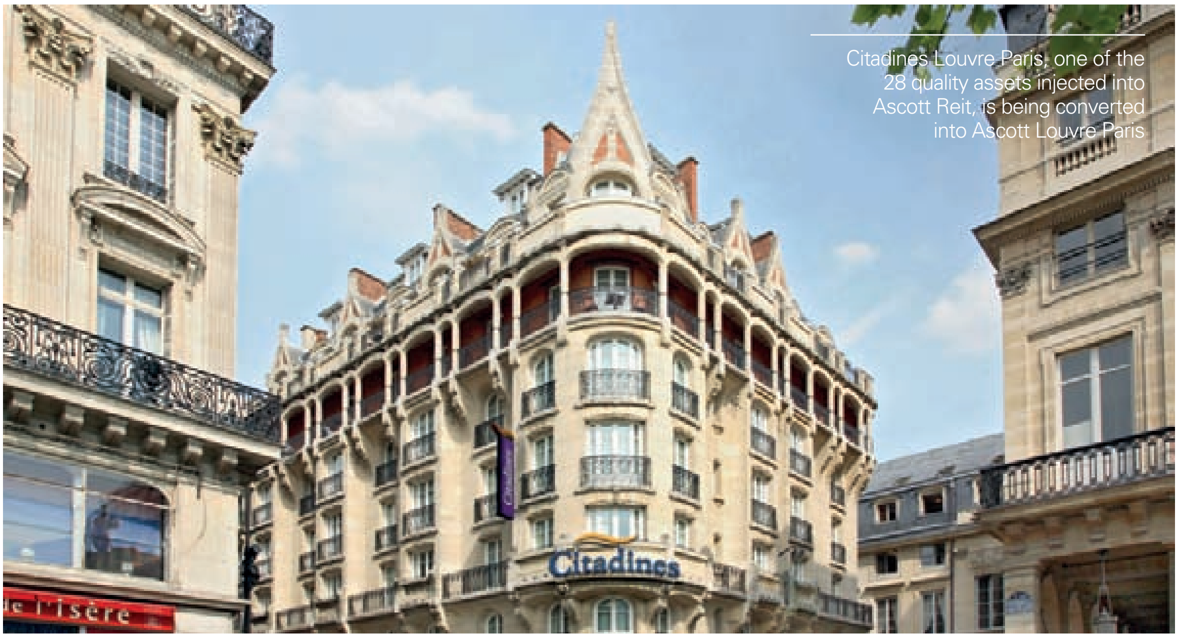
S$2b

CapitaMalls Asia committed almost S$2 billion in six new projects in Singapore, China and Malaysia

As part of its capital management strategy, CMA successfully recycled capital with the sale of Clarke Quay to CapitaMall Trust, and the listing of CapitaMalls Malaysia Trust (CMMT) on Bursa Malaysia. CMMT is the largest "pure-play" shopping mall REIT in Malaysia.

CMA also diversified its sources of funding with its wholly-owned subsidiary, CapitaMalls Asia Treasury Limited (CMATL), issuing S$350 million of corporate bonds under CMATL's S$2 billion Euro-Medium Term Note programme. Sensing demand from retail investors, CMATL launched the first series of retail bonds to the public in Singapore in January 2011. A total of S$200 million worth of 1-year and 3-year bonds, carrying interest payments of 1% and 2.15% per annum respectively, were issued to cater to demand from individual investors. These investors are looking for attractive fixed

LETTER TO SHAREHOLDERS



Citadines Louvre Paris, one of the 28 quality assets injected into Ascott Reit, is being converted into Ascott Louvre Paris

income vis-à-vis other investments, as well as an opportunity to participate in the income resilience of CMA's shopping malls. The public offer was well-received and about 1.82 times subscribed.

From just five malls in Singapore nine years ago, CMA is today one of Asia's largest shopping mall developers, owners and managers with a total of 91 malls across Singapore, China, Malaysia, Japan and India. Given a cash position of S$1.32 billion and a low gearing, CMA targets to acquire another S$2 billion of new projects in its key markets of Singapore, China and Malaysia in 2011. It targets to double its China portfolio from 53 malls to 100 malls within the next three to five years. CMA's unique strength in creating value by enhancing returns on its properties, coupled with its capital efficient business model, will enable it to extend its leadership position in Asia's shopping mall space.

Ascott continues to strengthen its leadership position as the world's largest international serviced residence owner-operator

SERVICED RESIDENCES

Ascott continues to strengthen its leadership position as the world's largest international serviced residence owner-operator. In 2010, it clinched contracts to manage 12 properties with over 2,000 apartment units across 12 cities, and opened 14 properties with over 2,800 apartment units across 13 cities. With the global economic recovery, Ascott has seen an increase in occupancy and rental rates since the middle of 2010. Revenue per Available Unit (RevPAU) in its key markets such as Singapore and China grew by 24% and 9% respectively. During the year, Ascott also injected 28 quality stabilised properties in Europe and Asia into Ascott Reit with divestment proceeds of S$974 million. This transaction has transformed Ascott Reit into a larger and stronger platform which complements Ascott's global growth strategy and increased Ascott's financial capacity to capture new growth opportunities.

Over the years, Ascott has grown rapidly as a result of bold moves such as the strategic acquisition in 2002 of Citadines, an established Pan-European serviced residence chain. Another key driver of Ascott's growth was the launch of Ascott Reit in 2006 which enhanced its ability to recycle capital efficiently. The privatisation of Ascott in 2008 has further accelerated its expansion as it can better leverage on the Group's capital base and resources. Moving ahead, Ascott is on track to achieve its target of 40,000 apartment units globally by 2015.

COMMERCIAL

Our commercial business unit is well-positioned to benefit from the rebound of Singapore's office sector through our listed REIT, CapitaCommercial Trust (CCT). Prime office rents in Singapore have risen by 24% in 2010 after bottoming out in 1Q2010, leading to firming of asset values. CCT's committed portfolio occupancy rate remained strong at 99%, above the market level of 95%, as at end-2010.

In 2010, we continued with our proactive capital recycling and active portfolio management strategies. CCT divested two non-Grade A office buildings while CapitaLand sold 163 strata-titled office and retail units in a mixed-use development in Singapore, and its 49% stake in a residential project in India. Six Battery Road became the first operating office building in Singapore's Central Business District to win the Green Mark Platinum award. At the cost of S$92 million, asset enhancement works have commenced at the Grade A office property to improve the building's technical, aesthetic and "green" specifications. We also established a joint venture with Hersing Corporation Ltd to own and manage self-storage facilities under the "StorHub" brand in Singapore, with a view to extending the portfolio to overseas markets.

Established a joint venture to own and manage self-storage facilities under the "StorHub" brand in Singapore

We will continue to enhance our existing assets and expand our commercial portfolio in Asia through investment opportunities and grow our self-storage business under the "StorHub" brand.

CAPITAVALUE HOMES

In Asia, the rapid pace of urbanisation and escalating home prices have created a growth potential in the affordable housing segment to meet the mass market demand. CapitaLand has set up a new business unit to grow its residential business in the affordable housing segment in Asia.

For its maiden projects, CapitaValue Homes has acquired two sites, one each in Wuhan, China, and Ho Chi Minh City, Vietnam, which will provide an initial pipeline of over 2,500 affordable homes. Our prices will be affordable, targeted at the mass market homebuyers with mortgage repayment pegged at no more than 40% of the average household income level in that particular city. To ensure value for money and achieve cost

OVER
2,500
AFFORDABLE HOMES

CapitaValue Homes has acquired two sites, one each in Wuhan, China, and Ho Chi Minh City, Vietnam, which will provide an initial pipeline of over 2,500 affordable homes

efficiency, these projects will feature standardised designs and adopt industrialised construction technology.

We will actively seek more sites in China and Vietnam in order to meet the demand for affordable homes in these two countries.

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CAPITALAND HOPE SCHOOLS

We have 15 CapitaLand Hope Schools in China and recently added one CapitaLand Hope School in Vietnam

CORPORATE SOCIAL RESPONSIBILITY

As a good corporate citizen, CapitaLand has always been committed to doing things responsibly and for the good of the society. We have strived to be an environmentally-sustainable real estate developer and aim to be at the forefront of the industry in terms of green buildings and environmental awareness. In 2010, we retained our inclusion in the Dow Jones Sustainability Asia Pacific Index for the third year running. CapitaLand is one of only two Singapore companies in the index, which is based on an analysis of corporate economic, environmental and social performance, and issues such as corporate governance, risk management and climate change mitigation.

At the same time, we have also been actively contributing to the communities we operate in. Since 2005, our philanthropic arm, CapitaLand Hope Foundation, has donated about S$10 million to aid underprivileged children in Singapore and overseas where we have a presence. We have 15 CapitaLand Hope Schools in China and recently committed to our first CapitaLand Hope School in Vietnam, the CapitaLand Nang Yen Primary Hope School near Hanoi. Our effort towards being a good corporate citizen has also significantly strengthened our reputation as a socially responsible company, a company with a soul. We will continue to support programmes that meet the shelter, education and healthcare needs of underprivileged children in Singapore and overseas.

READY FOR THE NEXT DECADE

Over the last 10 years, we have expanded aggressively, established a strong track record of excellent execution, and built a robust balance sheet. With this firm foundation, we are confident that the Group will continue to perform strongly as we move into the next decade.

We target to grow our China business to 45% of CapitaLand's total assets, increase our assets in Vietnam from S$400 million currently to S$2 billion in the next three to five years, and extend our presence in Singapore as the country continues its transformation into a global city. We aim to extend our leadership in the Pan-Asian shopping mall business, build Ascott's global dominance, and expand our financial services business by exploring new funds and real estate financial products in Singapore, China, Vietnam and Malaysia. Building on our track records in China and Vietnam, we will expand our residential business into the affordable housing segment to

CapitaLand's Board of Directors and senior management toasting during the launch of CapitaLand's 10th anniversary celebrations at ION Orchard, Singapore in February 2010

meet the demand arising from massive urbanisation and escalating home prices in Asia.

More importantly, as we marked our 10th anniversary last year, it should be highlighted that the core to CapitaLand's success has been its people. It is our people who moulded CapitaLand into what it is today by having the courage to push the boundaries of traditional real estate developers. Our consistent focus on building our talent pool ensures that we have depth in our management bench.

As we look forward into the next 10 years, we will continue to embrace our credo of "Building People" by enlarging and enriching our talent pool, and developing our leadership and management teams. Young talent, mid-career professionals and "silver hairs" are part of our inclusive multi-prong approach in our investment on human capital. A strong pool of new management talent – well trained and tested – is being entrusted with leadership position. With the guidance of the Board, they will chart the course for CapitaLand for the next 10 years. With our strong foundation and focus on superior performance, we remain committed to building a world-class and lasting real estate company as we move into the new decade.

Committed to building a world-class and lasting real estate company as we move into the new decade

We want to acknowledge the invaluable contributions from outgoing Director Mr Jackson Tai who will not be seeking re-election at the forthcoming annual general meeting. Mr Tai, who is a founding Director of CapitaLand, has been on the Board since 20 November 2001. On behalf of the management and the Board of Directors, we wish to thank all staff, shareholders, business partners and associates for their continued commitment and support of the CapitaLand Group.

DR HU TSU TAU
CHAIRMAN

LIEW MUN LEONG
PRESIDENT & CEO

28 February 2011

BOARD OF DIRECTORS

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1 **DR HU TSU TAU**
CHAIRMAN

2 **PETER SEAH LIM HUAT**
DEPUTY CHAIRMAN

3 **LIEW MUN LEONG**
PRESIDENT & CEO

4 **JACKSON PETER TAI**
DIRECTOR

5 **RICHARD EDWARD HALE**
DIRECTOR

6 **JAMES KOH CHER SIANG**
DIRECTOR

7 **ARFAT PANNIR SELVAM**
DIRECTOR

8 **PROFESSOR KENNETH STUART COURTIS**
DIRECTOR

9 **DR FU YUNING**
DIRECTOR

10 **JOHN POWELL MORSCHEL**
DIRECTOR

11 **NG KEE CHOE**
DIRECTOR

12 **SIMON CLAUDE ISRAEL**
DIRECTOR

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BOARD OF DIRECTORS

DR HU TSU TAU

CHAIRMAN

Dr Hu Tsu Tau, an Independent Non-Executive Director, joined the CapitaLand Board on 13 April 2004 and was elected Chairman on the same day. He was last re-appointed as Director at CapitaLand's Annual General Meeting on 16 April 2010. He is also Chairman of CapitaLand's Investment Committee.

Dr Hu is presently a Member of the Board of the Government of Singapore Investment Corporation Pte Ltd (GIC) and Chairman of Fullerton Financial Holdings Pte Ltd. He was Chairman of GIC Real Estate Pte Ltd.

From 1985 to 2001, Dr Hu was a Cabinet Minister whose portfolio included the Trade and Industry, Health and Finance ministries. Prior to his ministerial appointment, Dr Hu was Managing Director of the Monetary Authority of Singapore (MAS) and GIC from 1983 to 1984. Before his appointments in MAS and GIC, he was with the Shell Group of companies from 1960, and his last position in this global company was as Chairman and Chief Executive of the Shell Group of companies in Singapore.

Dr Hu is a graduate of the University of California, USA with a Bachelor of Science in Chemistry. He also holds a Postgraduate Diploma (Chemical Engineering) and a Doctorate in Chemical Engineering, both from the University of Birmingham, UK.

PETER SEAH LIM HUAT

DEPUTY CHAIRMAN

Mr Peter Seah, an Independent Non-Executive Director, joined the CapitaLand Board on 18 December 2001 and was appointed as Deputy Chairman on 1 January 2009. Mr Seah was last re-elected as Director at CapitaLand's Annual General Meeting on 16 April 2010. He is also Chairman of CapitaLand's Finance and Budget Committee, Executive Resource and Compensation Committee and Nominating Committee.

Mr Seah is presently the Chairman of DBS Group Holdings Ltd and Singapore Technologies Engineering Ltd (both listed on the SGX-ST) and LaSalle Foundation Limited. He is also Deputy Chairman of Global Crossing Limited. Mr Seah is a Director of STATS ChipPAC Ltd, StarHub Ltd (both listed on the SGX-ST) and DBS Bank (HK) Limited. Mr Seah also sits on the Board of the Government of Singapore Investment Corporation Pte Ltd.

Mr Seah was President & CEO of Singapore Technologies Pte Ltd. Prior to the above appointment, Mr Seah was with Overseas Union Bank (OUB) from 1977 and became its President & CEO in 1991. Mr Seah retired as Vice Chairman and CEO from OUB on 30 September 2001. Mr Seah was also the Chairman of SembCorp Industries Ltd and Singapore Computer Systems Limited (both listed on the SGX-ST), President Commissioner of PT Indosat Tbk (listed on the Stock Exchange of Indonesia), and Director of Chartered Semiconductor Manufacturing Ltd (listed on the SGX-ST) and Siam Commercial Bank Public Company Limited (listed on the Stock Exchange of Thailand).

Mr Seah is a graduate of the University of Singapore with an Honours Degree in Business Administration.

LIEW MUN LEONG

PRESIDENT & CEO

Mr Liew Mun Leong is President and CEO of CapitaLand Group. He joined the Board of Pidemco Land as Director on 1 January 1997. Pidemco Land merged with DBS Land to form CapitaLand in November 2000. Mr Liew continued to serve on the CapitaLand Board and was last re-elected as Director at CapitaLand's Annual General Meeting on 16 April 2010. He also serves as Member of CapitaLand's Investment Committee, Nominating Committee, Corporate Disclosure Committee and Finance and Budget Committee.

Mr Liew is Chairman of CapitaMalls Asia Limited (listed on the SGX-ST), CapitaLand Residential Singapore Pte Ltd, CapitaLand China Holdings Pte Ltd, CapitaLand Commercial Limited, CapitaLand Financial Limited, CapitaLand ILEC Pte. Ltd. and CapitaValue Homes Limited.

Mr Liew is Deputy Chairman of The Ascott Limited as well as the Deputy Chairman of CapitaMall Trust Management Limited (the manager of CapitaMall Trust listed on the SGX-ST), CapitaCommercial Trust Management Limited (the manager of CapitaCommercial Trust listed on the SGX-ST), CapitaRetail China Trust Management Limited (the manager of CapitaRetail China Trust listed on the SGX-ST) and Ascott Residence Trust Management Limited (the manager of Ascott Residence Trust listed on the SGX-ST). He is also a Director of CapitaLand Hope Foundation, the CapitaLand Group's philanthropic arm.

Mr Liew is presently Chairman of Changi Airport Group (Singapore) Pte Ltd. He is also Director of Singapore Exchange Limited (listed on the SGX-ST) and Singapore China Foundation Ltd.

He is a member of the NUS Business School Management Advisory Board, National Productivity and Continuing Education Council, Governing Council of the Human Capital Leadership Institute and the Board of Trustees of Chinese Development Assistance Council.

In 2006, Mr Liew was named Outstanding CEO of the Year in the Singapore Business Awards. In 2007, he was conferred the CEO of the Year award (for firms with market value of S$500 million or more) in The Business Times' Singapore Corporate Awards. In 2008, Mr Liew was named Asia's Best Executive of 2008 (Singapore) by Asiamoney and Best CEO in Asia (Property) by Institutional Investor.

Mr Liew graduated from the University of Singapore with a Civil Engineering degree and is a registered professional civil engineer.

JACKSON PETER TAI

DIRECTOR

Mr Jackson Tai, an Independent Non-Executive Director, joined the CapitaLand Board on 20 November 2000 and was last re-elected as Director at CapitaLand's Annual General Meeting on 29 April 2008. He is a Member of CapitaLand's Investment Committee and Finance and Budget Committee.

Mr Tai is a Director of NYSE Euronext and MasterCard Incorporated in the United States, and the Bank of China Limited in China. He has been nominated as a Director of Philips NV in the Netherlands. Most recently, he was a Supervisory Board Member of ING Groep NV in the Netherlands. He also serves as Non-Executive Chairman of a non-publicly listed company, Brookstone, Inc., in the United States.

Mr Tai was formerly the Vice Chairman and CEO of DBS Group Holdings Ltd (listed on the SGX-ST) and DBS Bank Ltd. Prior to joining DBS Bank Ltd, Mr Tai was a senior regional manager for J.P. Morgan & Co. Incorporated in New York, Tokyo, and San Francisco, and a Managing Director of the Investment Banking Division.

Mr Tai is a graduate of the Rensselaer Polytechnic Institute, USA with a Bachelor of Science in Management. He also holds a Master of Business Administration from Harvard University, USA.

BOARD OF DIRECTORS

RICHARD EDWARD HALE

DIRECTOR

Mr Richard Hale, an Independent Non-Executive Director, joined the CapitaLand Board on 10 February 2003 and was last re-appointed as Director at CapitaLand's Annual General Meeting on 16 April 2010. He is also Chairman of CapitaLand's Audit Committee and a Member of CapitaLand's Risk Committee.

Mr Hale is presently Chairman of CapitaCommercial Trust Management Limited (the manager of CapitaCommercial Trust listed on the SGX-ST). He is also Deputy Chairman of Sembcorp Marine Ltd and a Director of Sembcorp Industries Ltd (both listed on the SGX-ST). He is a Fellow of the Singapore Institute of Directors.

Mr Hale started his career with The Hongkong and Shanghai Banking Corporation Ltd in October 1958 and served in London, Paris, Hong Kong, Germany, Malaysia, Japan and Singapore before retiring from the Bank as CEO Singapore and Director in March 1995. From July 1995 to September 1997, he acted as advisor on environmental matters for HSBC Holdings plc London, based in Singapore. Mr Hale was Executive Chairman of SNP Corporation Ltd from April 1999 to April 2000, and also served as Chairman of the Singapore International Chamber of Commerce for 1993 and 1994. He was formerly a Governor of United World College of South East Asia, Singapore and a Director of The Ascott Group Limited (formerly listed on the SGX-ST and now known as The Ascott Limited), Wheelock Properties (Singapore) Limited (listed on the SGX-ST) and BW Trust Management Pte Ltd.

Mr Hale was educated at Radley College, Abingdon, UK. He is a Fellow of the Chartered Institute of Bankers, London.

JAMES KOH CHER SIANG

DIRECTOR

Mr James Koh, an Independent Non-Executive Director, joined the CapitaLand Board on 1 July 2005 and was last re-elected as Director at CapitaLand's Annual General Meeting on 23 April 2009. He is Chairman of CapitaLand's Risk Committee and Corporate Disclosure Committee; and a Member of CapitaLand's Audit Committee.

Mr Koh is Chairman of CapitaMall Trust Management Limited (the manager of CapitaMall Trust listed on the SGX-ST) and Chairman of its Investment Committee and Corporate Disclosure Committee. He is also a Director of CapitaLand Hope Foundation, the CapitaLand Group's philanthropic arm.

Mr Koh is presently Chairman of Housing & Development Board, Singapore Deposit Insurance Corporation Limited, MechanoBiology Institute and Singapore Island Country Club. He sits on the Boards of Singapore Airlines Limited, UOL Group Limited and Pan Pacific Hotels Group Limited (all listed on the SGX-ST). He is also a Director of Singapore Cooperation Enterprise.

From 1997 to 2005, Mr Koh served as CEO of the Inland Revenue Authority of Singapore. In that capacity, he was both Commissioner of Inland Revenue and Commissioner of Charities. Prior to these appointments, Mr Koh was the Permanent Secretary in the Ministries of National Development, Community Development and Education. Mr Koh has substantial experience in public administration having served in the Ministries of Finance, National Development, Community Development, Education and the Prime Minister's Office. He was awarded the Public Administration Medal (Gold) in 1983 and the Meritorious Service Medal in 2002.

Mr Koh is a graduate of Oxford University, UK with a Bachelor of Arts (Honours) and a Master of Arts in Philosophy, Political Science and Economics. He also holds a Master in Public Administration from Harvard University, USA.

MRS ARFAT PANNIR SELVAM

DIRECTOR

Mrs Arfat Selvam, an Independent Non-Executive Director, joined the CapitaLand Board on 2 January 2006 and was last re-elected as Director at CapitaLand's Annual General Meeting on 23 April 2009. She is a Member of CapitaLand's Audit Committee, Corporate Disclosure Committee, Nominating Committee and Risk Committee.

Mrs Selvam is presently the Managing Director of Selvam LLC, a corporate finance law practice and its joint law venture, Duane Morris & Selvam LLP. With over 40 years in legal practice as a corporate finance lawyer, Mrs Selvam has been involved in some landmark Singapore acquisition transactions.

Mrs Selvam is also a Director of CapitaMalls Asia Limited, which is listed on SGX-ST. She was the President of the Law Society of Singapore in 2003. She was also a member of the Senate of the Academy of Law, the Board of Legal Education and the Board of the Accounting and Corporate Regulatory Authority (ACRA). She is a Fellow of the Singapore Institute of Directors. She is also a Director of Singapore Health Services Pte Ltd.

Mrs Selvam serves the community through her participation as a member of the Executive Committees of Breast Cancer Foundation, Rahmatan Lil'Alamin Foundation Ltd and President of the Muslim Financial Planning Association.

Mrs Selvam is a graduate of the University of Singapore and was admitted to practise as an Advocate & Solicitor of the Supreme Court of Singapore in 1969.

PROFESSOR KENNETH STUART COURTIS

DIRECTOR

Professor Kenneth Courtis, an Independent Non-Executive Director, joined the CapitaLand Board on 14 February 2007 and was last re-elected as Director at CapitaLand's Annual General Meeting on 23 April 2009. He is a Member of CapitaLand's Finance and Budget Committee and Investment Committee.

Professor Courtis is Founding Chairman of Next Capital Partners. He was formerly Managing Director and Vice Chairman of Goldman Sachs Asia, Managing Director, Chief Economist and Strategist of Deutsche Bank Group Asia, and a Director of CNOOC Ltd, Hong Kong. He is presently a Director of Noble Group Limited (listed on the SGX-ST).

Professor Courtis is one of the world's leading investment bankers and analysts of Asian economies. He has led a number of large, international corporate transactions centered on Asia, and pioneered a number of investment banking areas across the region. Widely sought after for his knowledge of how global market forces, financial and political developments, and corporate strategy interact, Professor Courtis advises major clients throughout the Asia Pacific region, as well as in Europe and North America.

Professor Courtis also works closely with central banks, ministries of finance, and heads of government throughout Asia, and has been called on several occasions to advise the President of the USA, and the heads of government of several countries in Europe, North America, Asia, and the Middle East.

Professor Courtis has lectured at Keio and Tokyo Universities, Japan's two most prestigious educational institutions; l'Institut d'Etudes Politiques, Paris; and in universities in North America. He is a member of the boards, advisory councils, and trustee of a number of international firms, universities, and research institutes in Asia, Europe and North America.

Professor Courtis received his Bachelor degree from Glendon College in Toronto and a Master in International Relations from Sussex University in the UK. He received a Master of Business Administration from INSEAD (the European Institute of Business Administration), and a Doctorate with honours and high distinction, from l'Institut d'Etudes Politiques, Paris.

DR FU YUNING

DIRECTOR

Dr Fu Yuning, an Independent Non-Executive Director, joined the CapitaLand Board on 27 July 2009 and was last re-elected as Director at CapitaLand's Annual General Meeting on 16 April 2010.

Dr Fu is presently the Chairman of China Merchants Group Limited, China Merchants Holdings (International) (listed on the Hong Kong Stock Exchange), and China Merchants Bank Company Limited (listed on both the Hong Kong and Shanghai Stock Exchange). Dr Fu is also an Independent Non-Executive Director of Sino Land Company Limited (listed on the Hong Kong Stock Exchange). He was a Director of CapitaMalls Asia Limited (listed on the SGX-ST).

Dr Fu also holds directorship in some public associations such as General Committee Member of the Hong Kong General Chamber of Commerce and Member of the Advisory Committee of the Securities and Futures Commission, Hong Kong Special Administrative Region.

Dr Fu graduated from Dalian Institute of Technology in China with a degree in Port and Waterway Engineering and obtained his Ph.D. Degree in Mechanical Engineering from Brunel University in the UK, where he also worked as a Post-Doctorate research fellow briefly afterwards.

JOHN POWELL MORSCHEL

DIRECTOR

Mr John Morschel, an Independent Non-Executive Director, joined the CapitaLand Board on 1 February 2010 and was last re-elected as Director at CapitaLand's Annual General Meeting on 16 April 2010. He is also a Member of CapitaLand's Nominating Committee.

Mr Morschel is presently Chairman of Australia and New Zealand Banking Group Limited (listed on the Australian Securities Exchange and New Zealand Stock Exchange) and a Director of Tenix Group Pty Ltd and Giftard Communications Pty Ltd. Prior to his present appointment, he was an Executive Director and then Managing Director and CEO of Lend Lease Group LLC (listed on the Australian Securities Exchange). Mr Morschel was Chairman of Comalco Ltd, CSR Limited, Leighton Holdings Limited and Rinker Group Limited. He was also a Director of Westpac Banking Corporation, Gifford Communications Pty Ltd, Rio Tinto plc, Rio Tinto Limited and Singapore Telecommunications Limited (listed on the SGX-ST).

Mr Morschel holds a Diploma in Quantity Surveying from The University of New South Wales. He is a Fellow of the Australian Institute of Company Directors and a Fellow of the Australian Institute of Management.

NG KEE CHOE

DIRECTOR

Mr Ng Kee Choe, an Independent Non-Executive Director, joined the CapitaLand Board on 16 April 2010. He is also a Member of CapitaLand's Executive Resource and Compensation Committee.

Mr Ng is presently Chairman of Singapore Power Ltd, SP AusNet (listed on the SGX-ST) and NTUC Income Insurance Co-Operative Ltd and President-Commissioner of PT Bank Danamon Indonesia Tbk (listed on the Indonesia Stock Exchange). Mr Ng is a member of Temasek Advisory Panel and International Advisory Council of China Development Bank. In addition, he is also a Director of Singapore Exchange Limited and Singapore Airport Terminal Services Limited (both listed on the SGX-ST).

Mr Ng was the Vice-Chairman of DBS Group Holdings Ltd ("DBS"). He retired from his executive position in July 2003 after 33 years of service with DBS. For his contributions to public service, Mr Ng was awarded the Public Service Star award in 2001.

Mr Ng is a graduate of the University of Singapore with a Bachelor of Science (Honours) Degree.

SIMON CLAUDE ISRAEL

DIRECTOR

Mr Simon Claude Israel, a Non-Independent Non-Executive Director, joined the CapitaLand Board on 1 July 2010. He is a Member of CapitaLand's Investment Committee, Executive Resource and Compensation Committee and Nominating Committee.

Mr Israel is presently an Executive Director of Temasek Holdings (Private) Limited, the Singapore-headquartered investment firm, since July 2006. He is Chairman of Asia Pacific Breweries Ltd (listed on the SGX-ST), Asia Pacific Breweries Foundation and SingTel Innov8 Pte Ltd. He is also a Director of Neptune Orient Lines Limited and Singapore Telecommunications Limited (both listed on the SGX-ST).

Mr Israel was Chairman of Asia Pacific of the Danone Group. Prior to this, he worked across the Asia Pacific region in a 22-year career with Sara Lee Corporation. He stepped down as Chairman of Singapore Tourism Board on 31 December 2010 and was also a Director of Fraser and Neave Limited (listed on the SGX-ST).

Mr Israel holds a Diploma in Business Studies from The University of the South Pacific.

COUNCIL OF CEOS

1 **LIEW MUN LEONG**
PRESIDENT & CEO
CAPITALAND GROUP

2 **JENNIE CHUA**
CHIEF CORPORATE OFFICER
CAPITALAND LIMITED

3 **LIM MING YAN**
CEO
THE ASCOTT LIMITED

4 **WEN KHAI MENG**
CHIEF INVESTMENT OFFICER
CAPITALAND LIMITED

CEO
CAPITALAND FINANCIAL LIMITED

5 **OLIVIER LIM**
GROUP CHIEF FINANCIAL OFFICER
CAPITALAND LIMITED

6 **WONG HEANG FINE**
CEO
CAPITALAND RESIDENTIAL SINGAPORE PTE LTD

CEO
CAPITALAND ILEC PTE. LTD.

7 **JASON LEOW**
CEO
CAPITALAND CHINA HOLDINGS PTE LTD

8 **LIM BENG CHEE**
CEO
CAPITAMALLS ASIA LIMITED

9 **CHONG LIT CHEONG**
CEO
CAPITALAND COMMERCIAL LIMITED
(FROM 10 FEBRUARY 2011)

10 **EE CHEE HONG**
CEO
CAPITALAND COMMERCIAL LIMITED
(ON SABBATICAL FROM JANUARY 2011)

11 **CHEN LIAN PANG**
CEO
CAPITAVALUE HOMES LIMITED

12 **BOB JOHNSTON**
MANAGING DIRECTOR & CEO
AUSTRALAND PROPERTY GROUP

13 **LYNETTE LEONG**
CEO
CAPITACOMMERCIAL TRUST MANAGEMENT LIMITED

14 **SIMON HO**
CEO
CAPITAMALL TRUST MANAGEMENT LIMITED

15 **CHONG KEE HIONG**
CEO
ASCOTT RESIDENCE TRUST MANAGEMENT LIMITED

16 **TONY TAN TEE HIEONG**
CEO
CAPITARETAIL CHINA TRUST MANAGEMENT LIMITED

17 **CHAN SAY YEONG**
CEO
QUILL CAPITA MANAGEMENT SDN. BHD.

18 **SHARON LIM HWEE LI**
CEO
CAPITAMALLS MALAYSIA REIT MANAGEMENT SDN. BHD.

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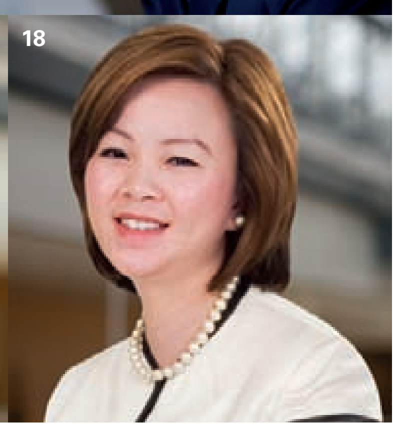
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COUNCIL OF CEOS

LIEW MUN LEONG

PRESIDENT & CEO, CAPITALAND GROUP

Mr Liew Mun Leong is President and CEO of CapitaLand Group. Mr Liew is Chairman of CapitaMalls Asia Limited, CapitaLand Residential Singapore Pte Ltd, CapitaLand China Holdings Pte Ltd, CapitaLand Commercial Limited, CapitaLand Financial Limited, CapitaLand ILEC Pte. Ltd. and CapitaValue Homes Limited. He is Deputy Chairman of The Ascott Limited as well as the Deputy Chairman of CapitaMall Trust Management Limited, CapitaCommercial Trust Management Limited, CapitaRetail China Trust Management Limited and Ascott Residence Trust Management Limited.

Mr Liew is also Chairman of CapitaLand China Executive Committee and CapitaLand Vietnam Executive Committee. The committees co-ordinate and align CapitaLand's investments, operations, branding and resources in China and Vietnam respectively. He is also a Director of CapitaLand Hope Foundation, the Group's philanthropic arm.

Mr Liew is presently Chairman of Changi Airport Group (Singapore) Pte Ltd. He is also Director of Singapore Exchange Limited (listed on the SGX-ST) and Singapore China Foundation Ltd.

In 2006, Mr Liew was named Outstanding CEO of the Year in the Singapore Business Awards. In 2007, he was conferred the CEO of the Year award (for firms with market value of S$500 million or more) in The Business Times' Singapore Corporate Awards. In 2008, Mr Liew was named Asia's Best Executive of 2008 (Singapore) by Asiamoney and Best CEO in Asia (Property) by Institutional Investor.

Mr Liew graduated from the University of Singapore with a Civil Engineering degree and is a registered professional civil engineer.

JENNIE CHUA

CHIEF CORPORATE OFFICER, CAPITALAND LIMITED

Ms Jennie Chua is the Chief Corporate Officer of CapitaLand Limited. She is a board member of CapitaMalls Asia Limited, CapitaValue Homes Limited, CapitaLand ILEC Pte. Ltd., The Ascott Limited and Ascott Residence Trust Management Limited.

She is Chairman of Singapore International Chamber of Commerce, Alexandra Health/Khoo Teck Puat Hospital, Community Chest of Singapore, Sentosa Cove, Singapore Film Commission, International Advisory Council for Tourism, Tourism Industry Skills & Training Council and The Arts House. She is Deputy Chairman of Temasek Foundation.

Ms Chua is a member of Singapore's Pro-Enterprise Panel and a Board Director of Ministry of Health Holdings Pte Ltd and NYU Tisch School of the Arts, Asia Ltd.

She is on the Board of Trustees of Nanyang Technological University, Singapore.

Ms Chua is a Justice of Peace and Singapore's Non-Resident Ambassador to The Slovak Republic.

Awards and accolades which she has received include three Singapore National Day Awards, Outstanding Contribution to Tourism Award 2006, Women's World Excellence Awards 2006, Travel Personality of the Year Award 2005, NTUC Medal of Commendation 2005, 25 Stars of Asia Award 2003, Person of the Year – Asia Pacific (Hotel) 2002, National Productivity 2002, Pacific Area Travel Writers Association Hall of Fame 2000, Hotelier of the Year 1999, Woman of the Year 1999, Champion of the Arts 1999 and Independent Hotelier of the World 1997.

LIM MING YAN

CEO, THE ASCOTT LIMITED

Mr Lim Ming Yan is the CEO of The Ascott Limited. He is concurrently Deputy Chairman of CapitaLand China Executive Committee. Prior to joining Ascott, Mr Lim was CEO of CapitaLand China Holdings Pte Ltd, responsible for growing CapitaLand into a leading foreign real estate developer in China.

Mr Lim was conferred the prestigious Magnolia Award by the Shanghai Municipal Government in 2003 and 2005 for his significant contributions to Shanghai. He was named Outstanding Chief Executive (Overseas) at the Singapore Business Awards in 2006.

Mr Lim graduated from the University of Birmingham, UK, with a Bachelor of Science (First Class Honours) in Mechanical Engineering and Economics.

WEN KHAI MENG

CHIEF INVESTMENT OFFICER, CAPITALAND LIMITED
CEO, CAPITALAND FINANCIAL LIMITED

Mr Wen Khai Meng is the Chief Investment Officer of CapitaLand Limited. He is concurrently the CEO of CapitaLand Financial Limited. He is also a Non-Executive Director of CapitaCommercial Trust Management Limited, Ascott Residence Trust Management Limited and Quill Capita Management Sdn. Bhd.

Prior to this, Mr Wen has held several senior appointments within the Group including CEO of CapitaLand Commercial Limited and Deputy Chief Financial Officer of CapitaLand Limited. Before joining the Group, Mr Wen was with the Ministry of National Development.

Mr Wen holds a Master of Business Administration and a Master of Science in Construction Engineering from the National University of Singapore, as well as a Bachelor of Engineering (First Class Honours) from the University of Auckland, New Zealand.

OLIVIER LIM

GROUP CHIEF FINANCIAL OFFICER, CAPITALAND LIMITED

Mr Olivier Lim is the Group Chief Financial Officer of CapitaLand Limited. He is a Non-Executive Director of CapitaMalls Asia Limited, CapitaMall Trust Management Limited, CapitaCommercial Trust Management Limited, Australand Holdings Limited and Raffles Medical Group Ltd. He is also Chairman of Mount Faber Leisure Group Pte Ltd, and a member of the Board of both Sentosa Development Corporation and the Accounting and Corporate Regulatory Authority.

Prior to joining CapitaLand Limited, he was Director and Head of the Real Estate Unit, Corporate Banking in Citibank Singapore. He has more than 20 years of work experience in diverse areas including corporate banking, investment banking, corporate finance and real estate financial products.

Mr Lim was named Chief Financial Officer of the Year in 2007 (for firms with market value of S$500 million or more) in The Business Times' Singapore Corporate Awards. He was awarded Best Investor Relations by a CFO by IR Magazine in its South East Asia Awards in 2009 and 2010, and was named CFO of the Year by The Asset magazine in its 2010 Asian Awards.

Mr Lim holds a First Class Honours degree in Civil Engineering from the Imperial College of Science, Technology and Medicine, United Kingdom.

COUNCIL OF CEOS

WONG HEANG FINE

CEO, CAPITALAND RESIDENTIAL SINGAPORE PTE LTD
CEO, CAPITALAND ILEC PTE. LTD.

Mr Wong Heang Fine is the CEO of CapitaLand Residential Singapore Pte Ltd and the CEO of CapitaLand ILEC Pte. Ltd. He is also in charge of CapitaLand's business in the Gulf Cooperation Council (GCC) region. In 2011, Mr Wong was appointed President of the Real Estate Developers' Association of Singapore (REDAS).

Prior to joining CapitaLand, Mr Wong was President & CEO of Sembcorp Engineers and Constructors, the largest engineering and construction company in Southeast Asia. He also has varied experience in the leisure and entertainment industries.

Mr Wong holds a Master of Science in Engineering Production & Management from the University of Birmingham, UK and a Bachelor of Science in Mechanical Engineering (First Class Honours) from the University of Leeds, UK.

JASON LEOW

CEO, CAPITALAND CHINA HOLDINGS PTE LTD

Mr Jason Leow is the CEO of CapitaLand China Holdings Pte Ltd.

Mr Leow has been with the CapitaLand Group from 1994 and has over 16 years of experience in China. He has held several appointments within the CapitaLand Group, including Deputy CEO of CapitaLand China Holdings.

Prior to joining the CapitaLand Group, he was a senior financial analyst at ST Aerospace Ltd and also spent three years at DBS Finance Ltd.

Mr Leow is a Certified Public Accountant and a member of the Institute of Certified Public Accountants of Singapore. He obtained an Executive Master in Business Administration degree from Fudan University and also attended the Advanced Management Program at Harvard Business School in 2007.

CHONG LIT CHEONG

CEO, CAPITALAND COMMERCIAL LIMITED
(FROM 10 FEBRUARY 2011)

Mr Chong Lit Cheong is the CEO of CapitaLand Commercial Limited.

Prior to joining the Group, Mr Chong was the CEO of International Enterprise Singapore, an agency under Singapore's Ministry of Trade and Industry which promotes the overseas growth of Singapore-based enterprises and international trade. Prior to that, he was the CEO of JTC Corporation and Managing Director of National Science and Technology Board (now called A*STAR). Earlier, he served in Singapore's Economic Development Board where he was posted to Suzhou, China, to lead the development of the China-Singapore Suzhou Industrial Park project.

Mr Chong is a Mombusho (Colombo Plan) Scholar and holds a Bachelor of Engineering (Electronics) from the University of Tokyo. He also completed an Advanced Management Programme at INSEAD in France in 1994 and the Tsinghua Executive Program in Shanghai, China, in 2004.

EE CHEE HONG

CEO, CAPITALAND COMMERCIAL LIMITED (ON SABBATICAL FROM JANUARY 2011)

Mr Ee Chee Hong is the Managing Director of Strategic Corporate Development of CapitaLand Limited. Mr Ee is also the Non-Executive Director of CapitaCommercial Trust Management Limited and an Alternate Director of Quill Capita Management Sdn. Bhd. Mr Ee is currently on sabbatical leave from January 2011.

Mr Ee Chee Hong was the CEO of CapitaLand Commercial Limited. He was also a board member of Australand Holdings Limited and United Malayan Land Bhd (listed on the Bursa Malaysia Securities Berhad).

Earlier, Mr Ee has held various positions within the Group including Managing Director of Financial Structuring Support for CapitaLand Financial Limited, CEO (China) for The Ascott Limited and CEO of Ascott Serviced Residence (China) Fund Management Limited. Prior to joining the Group, he held senior positions at the Singapore Embassy in Japan and Singapore's Economic Development Board.

Mr Ee holds a Master degree in Engineering from the Graduate School of Tokyo Institute of Technology. He attended the Advanced Management Program at Harvard Business School in 2007.

LIM BENG CHEE

CEO, CAPITAMALLS ASIA LIMITED

Mr Lim Beng Chee is the CEO and Executive Director of CapitaMalls Asia Limited (CMA). He has more than 10 years of real estate investment and asset management experience.

Mr Lim previously held various positions within the CapitaLand Group of companies, including CEO of CapitaMall Trust Management Limited and CapitaRetail China Trust Management Limited and Deputy CEO of CMA. He played an instrumental role in the creation of CMA's retail real estate funds and the creation and listing of CapitaRetail China Trust and CapitaMalls Malaysia Trust.

Mr Lim holds a Master of Business Administration (Accountancy) from the Nanyang Technological University of Singapore and a Bachelor of Arts in Physics (Honours) from the University of Oxford, UK.

CHEN LIAN PANG

CEO, CAPITAVALUE HOMES LIMITED

Mr Chen Lian Pang is the CEO of CapitaValue Homes Limited, CapitaLand's new business unit that focuses on developing affordable homes in Asia.

Prior to this, Mr Chen has held various positions within the Group responsible for the company's operations in Southeast Asia. He has more than 20 years of construction and real estate experience in both Singapore and overseas.

Mr Chen holds a Master of Science in Civil Engineering from the National University of Singapore and a Bachelor of Science in Civil Engineering (First Class Honours) from the University of Cardiff, UK. He completed the General Management Program at Harvard Business School in 2000. He is also a registered professional engineer.

COUNCIL OF CEOS

BOB JOHNSTON

MANAGING DIRECTOR AND CEO, AUSTRALAND PROPERTY GROUP

Mr Bob Johnston is the Managing Director and CEO of Australand Property Group. He joined Australand in August 2007 and has in excess of 20 years of experience in the property industry.

Prior to joining Australand, Mr Johnston held a number of senior management positions with the Lend Lease Group in the USA, UK, Asia and Australia. Immediately prior to his appointment to Australand, Mr Johnston was Global CEO of Bovis Lend Lease. Positions held prior to this included CEO of Bovis Lend Lease Asia Pacific and COO of Lend Lease Real Estate Investments in the USA.

Mr Johnston holds a First Class Honours degree in Electrical Engineering from James Cook University, Australia.

LYNETTE LEONG

CEO, CAPITACOMMERCIAL TRUST MANAGEMENT LIMITED

Ms Lynette Leong is the CEO and Executive Director of CapitaCommercial Trust Management Limited (CCTML).

Ms Leong has more than 20 years of international experience, including banking and finance with Standard Chartered Bank and United Malayan Banking Corporation Berhad in Singapore and Malaysia, and real estate fund management in the London, New York, Chicago and Asian offices of LaSalle Investment Management. Prior to joining CCTML, Ms Leong was the CEO of Ascendas' South Korea office where she had spearheaded Ascendas' strong foothold in the country's real estate market, including the acquisition of office and logistics properties and the establishment of its first real estate fund.

Ms Leong holds a Master of Science in Real Estate and a Bachelor of Science degree in Estate Management from the National University of Singapore.

SIMON HO

CEO, CAPITAMALL TRUST MANAGEMENT LIMITED

Mr Simon Ho is the CEO and Executive Director of CapitaMall Trust Management Limited. He was previously the Deputy CEO of CapitaMalls Asia Limited (CMA).

Mr Ho has more than 20 years of experience in real estate investment and management and was responsible for managing the operations of 18 shopping malls in Singapore as well as the operations of CMA's regional shopping mall portfolio in China, Malaysia, Japan and India.

Mr Ho holds a Master of Science in Real Estate and a Bachelor of Science in Estate Management (Honours) from the National University of Singapore.

CHONG KEE HIONG

CEO, ASCOTT RESIDENCE TRUST MANAGEMENT LIMITED

Mr Chong Kee Hiong is the CEO and Executive Director of Ascott Residence Trust Management Limited. He was also the Deputy CEO, Finance & Investment for The Ascott Limited from 2004 to March 2010. Before joining Ascott, Mr Chong was the Chief Financial Officer of Raffles Holdings Limited.

Mr Chong sits on the Audit Committee of Sentosa Development Corporation and is the Treasurer and General Committee member of the Orchid Country Club.

Mr Chong holds a Bachelor of Accountancy degree from the National University of Singapore and is a member of the Institute of Certified Public Accountants of Singapore. He completed Harvard Business School's Advanced Management Program in 2008.

TONY TAN TEE HIEONG

CEO, CAPITARETAIL CHINA TRUST MANAGEMENT LIMITED

Mr Tony Tan Tee Hieong is the CEO and Executive Director of CapitaRetail China Trust Management Limited (CRCTML).

Mr Tan has over 18 years of experience in international treasury, finance and risk management. Prior to joining CRCTML, Mr Tan was with IKEA for more than nine years, where he held positions as Treasurer and Finance Manager for Asia Pacific region. During those tenures, he also concurrently sat on IKEA's finance committee for Asia Pacific that oversaw the group's strategic finance and tax matters. His other experiences prior to joining IKEA include Treasury Accountant for Wearnes International, the trading and distribution arm of WBLand and various trading positions with international banks.

Mr Tan holds a Master of Business Administration (Distinction) from the University of Manchester, United Kingdom, and a Bachelor of Accountancy degree from the National University of Singapore.

CHAN SAY YEONG

CEO, QUILL CAPITA MANAGEMENT SDN. BHD.

Mr Chan Say Yeong is the CEO and Executive Director of Quill Capita Management Sdn. Bhd., the manager of Quill Capita Trust, CapitaLand's first overseas REIT which is listed on Bursa Malaysia Securities Berhad.

Prior to this, Mr Chan held the position of Managing Director of CapitaLand Financial Limited based in Malaysia. He was also a board member of United Malayan Land Bhd.

Mr Chan holds a Bachelor of Accountancy from the National University of Singapore. He has completed the Executive Development Program by The Wharton School of the University of Pennsylvania, US.

SHARON LIM HWEE LI

CEO, CAPITAMALLS MALAYSIA REIT MANAGEMENT SDN. BHD.

Ms Sharon Lim Hwee Li is the CEO and Executive Director of CapitaMalls Malaysia REIT Management Sdn. Bhd., the manager of CapitaMalls Malaysia Trust. Ms Lim has experience in property investment, asset management and marketing in various property sectors.

Prior to her current position, Ms Lim was Country Head for CapitaMalls Asia Limited's (CMA) operations in Malaysia, and was instrumental in establishing CMA's retail platform in Malaysia.

She holds a Master of Business Administration from Murdoch University, Australia and a Bachelor of Business (Distinction) from the Royal Melbourne Institute of Technology, Australia.

CORPORATE OFFICE

1 **LIEW MUN LEONG**
PRESIDENT & CEO

2 **JENNIE CHUA**
CHIEF CORPORATE OFFICER

3 **LIM MING YAN**
CEO
THE ASCOTT LIMITED

4 **WEN KHAI MENG**
CHIEF INVESTMENT OFFICER

5 **OLIVIER LIM**
GROUP CHIEF FINANCIAL OFFICER

6 **TAN SENG CHAI**
CHIEF HUMAN RESOURCE OFFICER

7 **ANTHONY SEAH**
CHIEF OF TECHNICAL SERVICES

8 **POON HIN KONG**
CHIEF OF DESIGN REVIEW UNIT

9 **LEONG SOON PENG**
CHIEF TECHNOLOGY OFFICER

10 **BASSKARAN NAIR**
SENIOR VICE PRESIDENT
CORPORATE MARKETING & COMMUNICATIONS

11 **HAROLD WOO**
SENIOR VICE PRESIDENT
INVESTOR RELATIONS

12 **LOW SAI CHOY**
SENIOR VICE PRESIDENT
LEGAL/COMPANY SECRETARY

13 **HUBERT LADSTATTER**
SENIOR VICE PRESIDENT
RISK MANAGEMENT

14 **BELINDA GAN**
GROUP FINANCIAL CONTROLLER

15 **LEOW SIEW BENG**
SENIOR VICE PRESIDENT
HUMAN RESOURCE (ORGANISATIONAL DEVELOPMENT)

16 **ANNA CHOO**
SENIOR VICE PRESIDENT
TREASURY

17 **TING TONG KOI**
SENIOR VICE PRESIDENT
OPERATIONS COMPLIANCE UNIT

18 **LIM SOO GEE**
VICE PRESIDENT
SECURITY MANAGEMENT

NOT PHOTOGRAPHED

- **EE CHEE HONG**
MANAGING DIRECTOR
STRATEGIC CORPORATE DEVELOPMENT

- **SHARON SNG**
SENIOR VICE PRESIDENT
CORPORATE FINANCE

- **BOAZ BOON**
SENIOR VICE PRESIDENT
RESEARCH

- **LEE TIONG PENG**
SENIOR VICE PRESIDENT
CAPITALAND INSTITUTE OF MANAGEMENT AND BUSINESS

- **MONICA CHIA**
SENIOR VICE PRESIDENT
INTERNAL AUDIT

- **CHYE MOI JUNE**
HEAD
GROUP TAX

- **ANDRE LIM**
VICE PRESIDENT
CORPORATE PLANNING/ ECONOMICS UNIT


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GLOBAL PRESENCE

ASIA PACIFIC

AUSTRALIA
Adelaide
Brisbane
Hobart
Melbourne
Perth
Sydney

CHINA
Anyang
Beijing
Changsha
Chengdu
Chongqing
Dalian
Deyang
Dongguan
Foshan
Guangzhou
Harbin
Hangzhou
Hong Kong
Huhhot
Kunshan
Macau
Maoming
Mianyang
Nanchang
Ningbo
Quanzhou
Rizhao
Shanghai
Shenyang
Shenzhen
Suzhou
Tianjin
Weifang
Wuhan
Wuhu
Xi'an
Xinxiang
Yangzhou
Yibin
Yiyang
Zhangzhou
Zhanjiang
Zhaoqing
Zhengzhou
Zibo

GEORGIA
Tbilisi

INDIA
Ahmedabad
Bangalore
Chennai
Cochin
Hyderabad
Jalandhar
Mangalore
Mumbai
Mysore
Nagpur
Udaipur

INDONESIA
Bali
Jakarta
Surabaya

JAPAN
Chitose
Eniwa
Fukuoka
Funabashi
Hiroshima
Kobe
Kyoto
Nagoya
Osaka
Saga
Sapporo
Sendai
Tokyo

KAZAKHSTAN
Almaty

MALAYSIA
Cyberjaya
Johor
Kuala Lumpur
Kuching
Penang
Selangor

PHILIPPINES
Manila

SINGAPORE

SOUTH KOREA
Seoul

THAILAND
Bangkok
Krabi
Pattaya

VIETNAM
Danang
Hai Phong
Hanoi
Ho Chi Minh City

EUROPE

BELGIUM
Brussels

FRANCE
Aix-en-Provence
Bordeaux
Cannes
Ferney-Voltaire
Fontainebleau
Grenoble
Lille
Lyon
Marseille
Montpellier
Nice
Paris
Strasbourg
Toulouse

GERMANY
Berlin
Hamburg
Munich

SPAIN
Barcelona

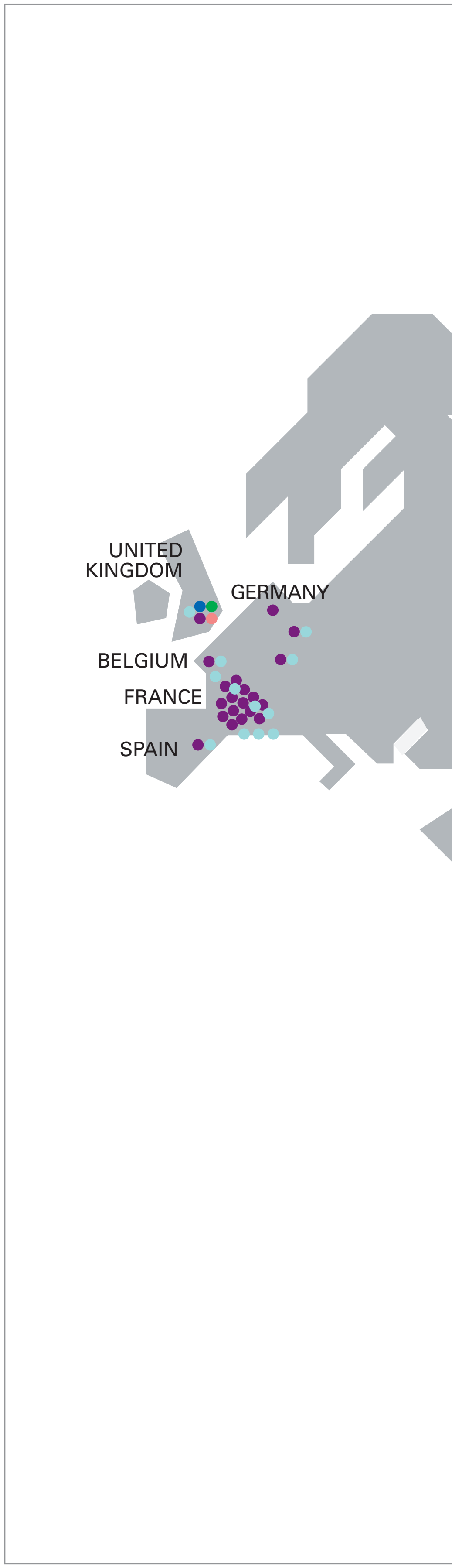
UNITED KINGDOM
London

GULF COOPERATION COUNCIL (GCC) COUNTRIES

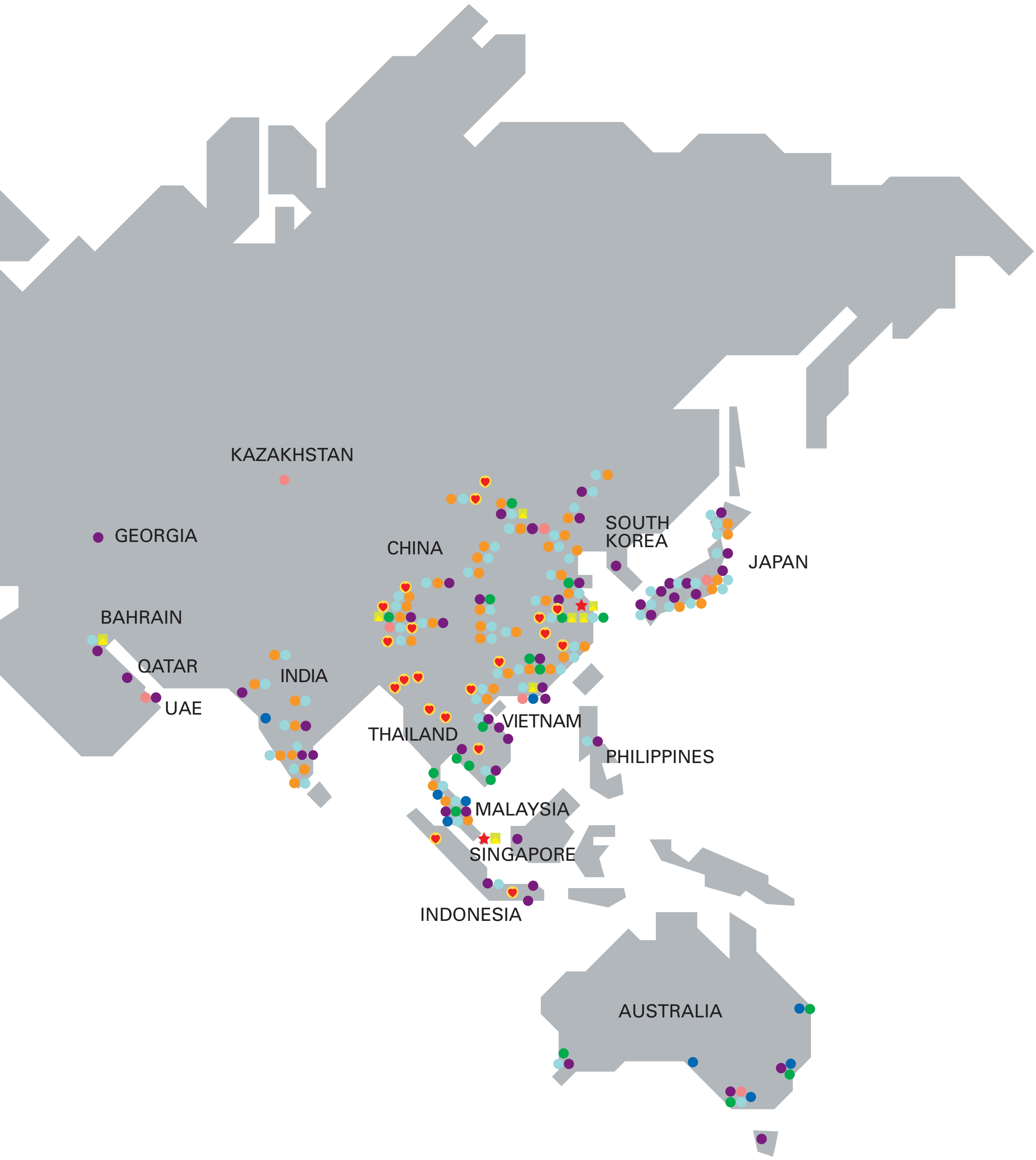
BAHRAIN
Manama

QATAR
Doha

UNITED ARAB EMIRATES
Abu Dhabi
Dubai



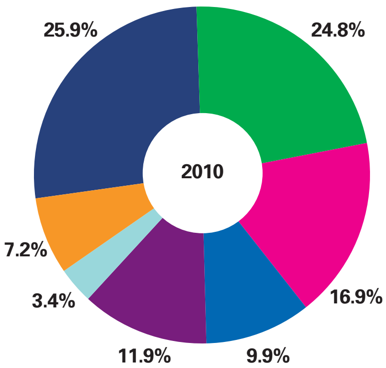
Presence in more than 110 cities in over 20 countries



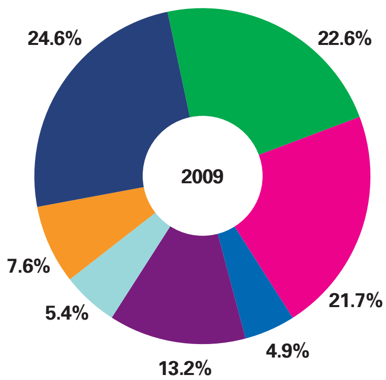
- Homes
- Offices
- Shopping Malls
- Serviced Residences
- Mixed Developments
- Financial Services
- Raffles City Developments
- Multi-sector
- Schools/Facilities

PERFORMANCE OVERVIEW

2010 REVENUE BY STRATEGIC BUSINESS UNIT
Total: S$3.38 billion



2009 REVENUE BY STRATEGIC BUSINESS UNIT
Total: S$2.96 billion



- CapitaLand Residential Singapore
- CapitaLand China Holdings
- CapitaLand Commercial
- The Ascott Limited
- CapitaLand Financial
- CapitaMalls Asia
- Australand

PERFORMANCE OVERVIEW

CapitaLand Group achieved a profit after tax and non-controlling interests of S$1.27 billion for FY2010; 21% higher than FY2009. This marks the fifth consecutive year that CapitaLand has delivered a net profit exceeding S$1 billion. The strong performance in FY2010 was attributable to higher profits from development projects in Singapore and Vietnam, fair value gains from the revaluation of the Group's investment properties portfolio and lower impairment losses.

In 2010, the Group accomplished a number of achievements. We started the year with our biggest acquisition since formation - the purchase of Orient Overseas Development Limited (OODL) for S$3.1 billion. This acquisition enabled us to secure seven prime sites in Shanghai, Kunshan and Tianjin to further entrench our presence in China and increased China assets from 25% to 36% of total assets[1].

During the year, we also set up a new business unit, CapitaValue Homes, to focus on the growing affordable housing segments in China and Vietnam and to add another dimension to our residential business. In Singapore, we successfully bid for the Bedok Town Centre site which will be developed into a 500-unit residential development with a shopping mall. We also acquired the Storhub self-storage business.

As part of the Group's strategy of achieving high capital productivity, the Group successfully listed CapitaMalls Malaysia Trust (CMMT) on the Bursa Malaysia Securities Berhad. CMMT owns three shopping malls in Malaysia and is the largest "pure-play" shopping mall Real Estate Investment Trust in Malaysia by market capitalisation and property value.

The Ascott Limited, our serviced residences arm, injected a portfolio of 28 stabilised serviced residences into Ascott Residence Trust (Ascott Reit). This successful capital recycling transaction has catapulted Ascott Reit to the sixth largest REIT listed in Singapore.

In December 2010, we divested an effective 58.1% stake in Raffles City Changning, our seventh Raffles City development in China, which gave us proceeds of approximately S$0.8 billion.

All these major recycling transactions have enabled the Group to continue investing in new investments throughout the year and yet close the year with a strong cash position of S$7.2 billion and a healthy net debt equity ratio of 0.18.

[1] *Total assets excluding treasury cash*

Financially, the Group has performed well in FY2010 with positive contributions from all our business units in the various sectors. This is in contrast to FY2009 where some of our business units suffered losses as a result of impairment losses on investments and fair value losses from the revaluation of investment properties.

CapitaLand Residential Singapore did well in 2010, having sold 800 units worth about S$1.85 billion despite the property cooling measures introduced in August 2010. In China, the Chinese government had also implemented several measures to curb speculation in the property market. However, CapitaLand China Holdings continued to achieve healthy sales for its projects, including the new projects launched in 2010. CapitaLand China Holdings sold a total of 2,920 homes in 2010. The Group's two residential projects in Vietnam, The Vista and Mulberry Lane, continued to contribute positively through progressive revenue recognition. The pick-up in demand for office spaces and improved rental has enabled CapitaLand Commercial to recognise fair value gains from its portfolio of investment properties. At the same time, the newly acquired Storhub self-storage business had also contributed to CapitaLand Commercial's results.

Ascott saw an improvement in its operations on the back of an increase in demand following a recovery in the general economic conditions. CapitaLand Financial, our financial services business unit, continued to enjoy a steady stream of recurrent fee income from the REITs and funds it manages.

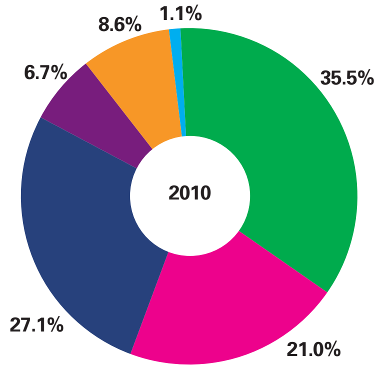
The Group's two listed subsidiaries, CapitaMalls Asia and Australand, also performed well in their respective business sectors in 2010. Both registered significant improvement in their reported results and contributions to the Group.

REVENUE

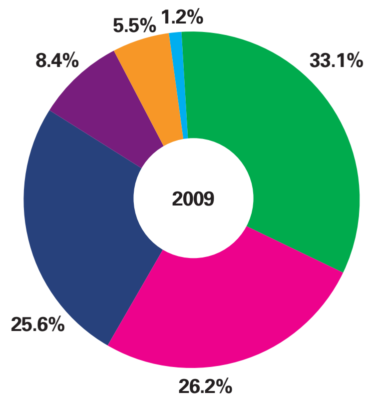
Revenue for FY2010 grew by 14% to S$3.38 billion on the back of strong sales and revenue contribution from our development projects in Singapore, Australia and Vietnam. The Group's fee-based income for FY2010 was also higher with the increase coming mainly from property management fees and one-off acquisition and divestment fees. Rental income from our shopping mall and serviced residence businesses, however, saw a decrease following the capital recycling of four shopping malls and 28 serviced residences to our REITs.

In terms of geographic spread, revenue from our overseas operations constituted 65% or S$2.18 billion of the Group's total revenue.

2010 REVENUE BY GEOGRAPHICAL LOCATION
Total: S$3.38 billion



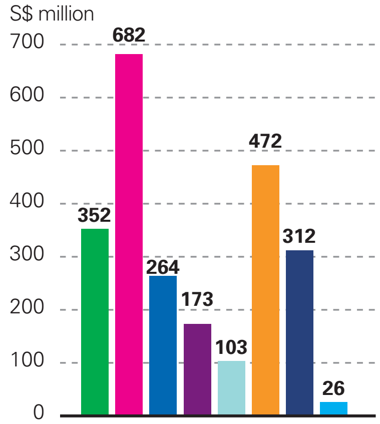
2009 REVENUE BY GEOGRAPHICAL LOCATION
Total: S$2.96 billion



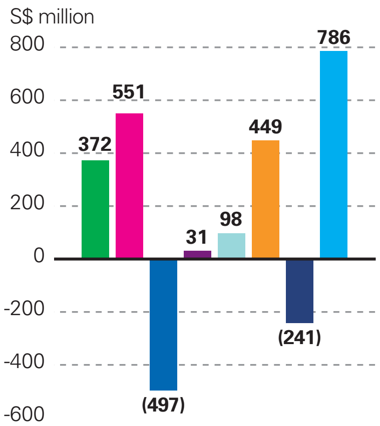
- Singapore
- China (including Hong Kong and Macau)
- Australia
- Europe
- Asia (excluding Singapore and China)
- Others

PERFORMANCE OVERVIEW

2010 EBIT BY STRATEGIC BUSINESS UNIT
Total: S$2.38 billion



2009 EBIT BY STRATEGIC BUSINESS UNIT
Total: S$1.55 billion



- CapitaLand Residential Singapore
- CapitaLand China Holdings
- CapitaLand Commercial
- The Ascott Limited
- CapitaLand Financial
- CapitaMalls Asia
- Australand
- Others

China and Australia continued to be the two most significant overseas contributors. Revenue contribution from our fourth core market, Vietnam, continued to grow in 2010, accounting for about 6% (2009: 1%) of the Group's revenue.

Revenue from CapitaLand Residential Singapore increased by 25% to S$843.2 million, underpinned by progressive revenue recognition for The Interlace, The Wharf Residence and Latitude.

Revenue from CapitaLand China Holdings however saw a 11% decrease to S$573.5 million as most of the sales made in 2010 were from development projects held by associates and are not consolidated at the revenue line.

CapitaLand Commercial registered a strong growth of 133% in revenue to S$337.8 million on the back of higher revenue contribution from The Vista and Mulberry Lane projects in Vietnam, recognition of deferred income in respect of Citadines Mount Sophia as well as contribution from the self-storage business which was acquired in July 2010.

Revenue from Ascott grew by 3% to S$407.4 million as businesses across most of its serviced residences improved. This is despite the divestment of 28 serviced residence properties to Ascott Reit in October 2010.

Revenue for CapitaLand Financial fell by 28% year-on-year mainly due to lower fee-based income following the transfer of retail fund management companies to CapitaMalls Asia as part of a restructuring exercise prior to the listing of CapitaMalls Asia in November 2009. Excluding the effects of the transfer, revenue was higher by S$6.8 million due mainly to higher acquisition and divestment fees.

The fee income from the transferred retail fund management companies contributed to the increase in revenue for CapitaMalls Asia which rose by 7% from 2009. The higher fee-based income was however partially offset by lower rental income as Clarke Quay in Singapore and three shopping malls in Malaysia were injected into CapitaMall Trust and CapitaMalls Malaysia Trust respectively in July 2010.

Revenue from Australand grew by 20% on account of higher sales from development projects and rental income from investment properties, coupled with a favourable Australian dollar exchange rate against the Singapore dollar.

EARNINGS ANALYSIS

The Group reported earnings before interest and tax (EBIT) of S$2.38 billion for FY2010. This is a 54% increase over FY2009's

EBIT of S$1.55 billion. The strong performance in 2010 was largely driven by higher profits from development projects in Singapore and Vietnam, revaluation gains from the Group's investment properties portfolio and lower impairment losses.

Geographically, overseas EBIT accounted for 60% of the Group's total EBIT in FY2010, backed by strong contribution from our overseas operations in Australia, China, Other Asia[1] and Europe. In FY2009, overseas EBIT was relatively lower at 15% of total EBIT as Singapore EBIT was boosted by the gain from the public offering of 34.5% stake in CapitaMalls Asia.

EBIT from CapitaLand Residential Singapore declined marginally by 5% to S$351.5 million as FY2009's EBIT included a share of fair value gain in respect of ION Orchard. Excluding this one-off gain in FY2009, EBIT for FY2010 improved by 17.1% on the back of higher revenue.

EBIT from CapitaLand China Holdings rose 24% to S$682.4 million in FY2010 on account of higher portfolio gains from divestments. In FY2010, CapitaLand China Holdings recorded significant gains mainly from the sale of a 58.1% effective share in Raffles City Changning as well as its 50% stake in a joint venture, Sichuan Zhixin CapitaLand Co., Ltd.

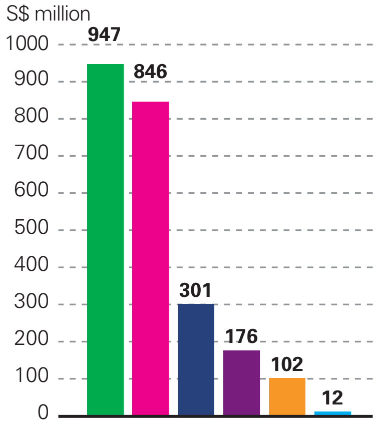
CapitaLand Commercial posted an EBIT of S$264.2 million in FY2010 as compared to a loss of S$497.4 million in FY2009. The turnaround in earnings was mainly attributable to fair value gains from the revaluation of investment properties vis a vis a loss in FY2009, lower impairment losses for its overseas investments, as well as the absence of additional provision for income support to CapitaCommercial Trust. In addition, higher development profits from the residential projects in Vietnam, namely, The Vista and Mulberry Lane, also contributed to the increase in earnings.

Ascott recorded an EBIT of S$173.0 million in FY2010 which was more than five times that of S$31.4 million recorded in FY2009. This strong performance was largely driven by higher portfolio gains mainly from the injection of 28 serviced residence properties into Ascott Reit and higher share of fair value gains from the revaluation of investment properties held by Ascott Reit.

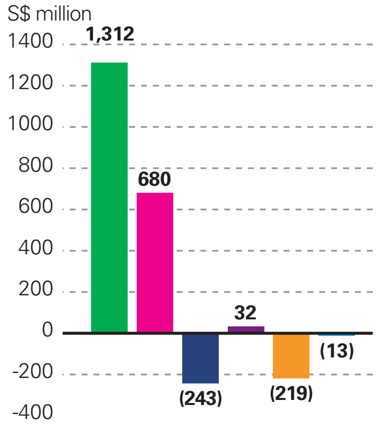
Despite the transfer of retail fund management companies to CapitaMalls Asia, EBIT for CapitaLand Financial increased by 5% to S$103.0 million in FY2010 due to higher acquisition and divestment fees, higher portfolio gains from divestments, lower operating expenses and better performance from some funds.

[1] *Excludes Singapore and China and includes projects in the Gulf Cooperation Council countries.*

2010 EBIT BY GEOGRAPHICAL LOCATION
Total: S$2.38 billion



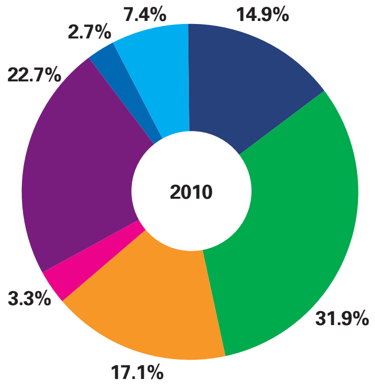
2009 EBIT BY GEOGRAPHICAL LOCATION
Total: S$1.55 billion



- Singapore
- China (including Hong Kong and Macau)
- Australia
- Europe
- Asia (excluding Singapore and China)
- Others

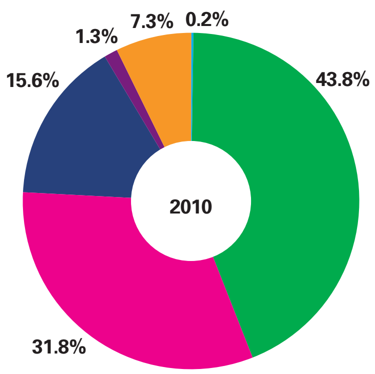
PERFORMANCE OVERVIEW

2010 TOTAL ASSETS BY CATEGORY
Total: S$31.7 billion



- Investment Properties
- Interest in Associates and Joint Ventures
- Development Properties for Sale and Stock
- Properties, Plant and Equipment
- Cash and Cash Equivalents
- Other Non-Current Assets
- Other Current Assets

2010 TOTAL ASSETS BY GEOGRAPHICAL LOCATION
Total: S$31.7 billion



- Singapore
- China (including Hong Kong and Macau)
- Australia
- Europe
- Asia (excluding Singapore and China)
- Others

Similarly, EBIT from CapitaMalls Asia of S$472.4 million was 5% higher than FY2009, mainly attributable to higher contribution from the fund management companies and ION Orchard, as well as higher fair value gains from investment properties, but partially offset by lower portfolio gains and higher operating expenses in FY2010.

Australand achieved an EBIT of S$311.9 million in FY2010 as compared to a loss of S$240.8 million in FY2009. This marked improvement was mainly attributable to fair value gains from the revaluation of investment properties in FY2010 as compared to a loss in FY2009 and the absence of provision for foreseeable losses for its development projects. Excluding the fair value changes and the foreseeable losses provision, operating profit for Australand increased by 6% over 2009.

Others comprised the corporate office and start-up businesses. EBIT in FY2009 was significantly higher as it included a gain from the public offering of CapitaMalls Asia shares. Excluding this gain in 2009, EBIT for FY2010 improved due to lower impairment losses and higher share of profit from Rihan Heights in Abu Dhabi.

DIVIDENDS

The Board of Directors is pleased to propose a first and final dividend of 6.0 cents per share in respect of the financial year ended 31 December 2010. This amounts to a payout of approximately S$255.7 million based on the number of issued shares as at 31 December 2010. The dividends are subject to the shareholders' approval at the forthcoming Annual General Meeting of the Company.

For FY2009, a first and final dividend of 5.5 cents per share and a special dividend of 5.0 cents per share were approved and paid. The said dividends of S$447.4 million were paid in May 2010.

ASSETS

The Group's total assets as at 31 December 2010 totalled S$31.7 billion, an increase of S$1.5 billion, or 5%, from the total assets as at 31 December 2009 of S$30.2 billion. The increase was mainly due to the acquisition of new investments, in particular, OODL and fair value gains from the revaluation of the Group's investment properties portfolio. The increase was partially offset by the divestment of four shopping malls and 28 serviced residences to our REITs.

BORROWINGS

As at 31 December 2010, the Group's gross debts stood at S$10.4 billion. At the same time, the Group also had a cash balance of S$7.2 billion. The Group's net debt as at 31 December 2010 was S$3.2 billion as compared to S$1.6 billion as at end 2009. The net debt as at 31 December 2009 was significantly reduced by a higher cash balance which was in turn boosted by the proceeds from the public offering of CapitaMalls Asia shares.

The Group's net debt equity ratio remained healthy at 0.18 as at 31 December 2010 (2009: 0.09).

SHAREHOLDERS' EQUITY

As at 31 December 2010, issued and paid-up ordinary share capital of the Company comprised 4.26 billion shares at S$6.3 billion. The Group's total reserves increased from S$7.2 billion in December 2009 to S$7.9 billion in December 2010. This increase was mainly contributed by the S$1.27 billion net profit for the year, partially offset by the payment of the 2009 dividends and exchange differences arising from the translation of foreign operations. The shareholders' funds as at end 2010 was S$14.2 billion compared to S$13.4 billion in 2009. With a higher equity, the Group's net tangible assets per share increased 6% to S$3.22 as at 31 December 2010.

PERFORMANCE OVERVIEW

TREASURY HIGHLIGHTS	2010	2009
Bank Facilities And Available Funds		
Bank facilities available (S$m)	**7,754**	7,530
Amount utilised for loans (S$m)	**4,651**	4,982
Available and unutilised (S$m)	**3,103**	2,548
Cash and fixed deposit balances (S$m)	**7,190**	8,730
Unutilised facilities and funds available for use (S$m)	**10,293**	11,278
Debt Securities Capacity		
Debt securities capacity (S$m)	**9,807**	8,338
Debt securities issued (net of debt securities purchased) (S$m)	**5,707**	5,331
Unused debt securities capacity (S$m)	**4,100**	3,007
Interest Cover Ratio		
Earnings before net interest, tax, depreciation and amortisation (S$m)	**2,556**	1,714
Net interest expense (S$m)	**365**	377
Interest cover ratio (times)	**7.00**	4.54
Interest Service Ratio		
Operating cashflow before interest and tax (S$m)	**1,763**	2,074
Net interest paid (S$m)	**393**	451
Interest service ratio (times)	**4.49**	4.60
Secured Debt Ratio		
Secured debt (S$m)	**1,616**	2,761
Percentage of secured debt	**16%**	27%
Debt Equity Ratio		
Gross debt (S$m)	**10,358**	10,313
Cash and fixed deposit balances (S$m)	**7,190**	8,730
Net debt (S$m)	**3,168**	1,583
Equity (S$m)	**18,017**	16,880
Net debt equity ratio (times)	**0.18**	0.09

MANAGEMENT AND SOURCES OF FUNDING

The Group strives to maintain a prudent financial structure and actively reviews its cashflow, debt maturity profile and overall liquidity position on an ongoing basis to support the dynamic nature of its businesses. The main sources of the Group's operating cashflow are derived from residential sales, fee and rental income. As part of its liquidity management to support its funding requirements, investment needs and its growth plans, the Group diversifies its funding sources through a mix of undrawn banking facilities and capital market programmes to facilitate fund raising at opportunistic windows.

Global financial outlook has improved but risks remain. Against this backdrop, the Group continues to maintain strong cash reserves of S$7.2 billion compared to S$8.7 billion last year. The difference was mainly attributed to the increase in acquisition of China property portfolio and repayment of its debts in 2010.

The Group's total gross debt of S$10.4 billion was marginally higher as compared to S$10.3 billion last year. Net debt as at December 2009 was significantly lower as the cash balance was higher due to proceeds from the public offering of CapitaMalls Asia Limited. The low net debt equity ratio of 0.18 puts the Group in a strong financial position and with the robust balance, it is well positioned to invest in future growth.

Finance cost for the Group was S$448.2 million for the year ended 2010. This was about 1.26% lower compared to S$453.9 million last year. The lower finance costs was due to lower interest rates as a result of various worldwide government policy measures to ease tight credit conditions and stimulate lending and economic growth.

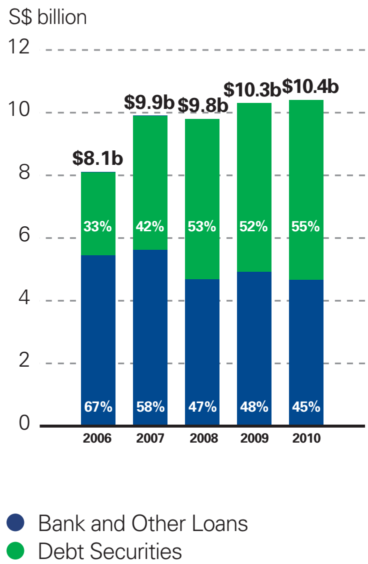
SOURCES OF FUNDING

As at year end, 55% of the Group's total debt was funded from capital market bond issuances and the balance 45% was raised through bank borrowings. The Group continues to seek a diversified and balanced sources of funding for its loan portfolio so as to ensure financial flexibility and mitigate concentration risk. During the year, bank loans decreased by about S$331 million mainly as a result of repayment of bank borrowings. Higher composition of funding from capital markets was attributed to the Group opportunistically tapping the long dated bond market during second half of the year.

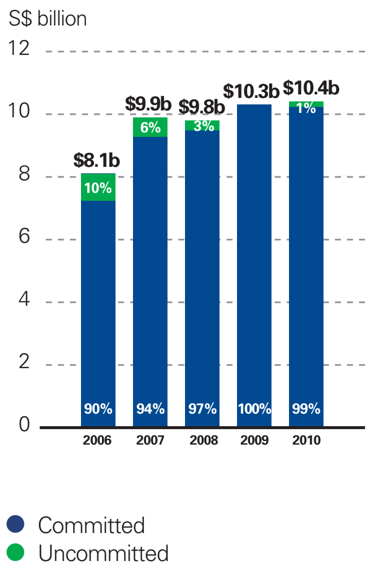
COMMITMENT OF FUNDING

As at end 2010, the Group is able to achieve 99% of its funding from committed facilities.

SOURCES OF FUNDING

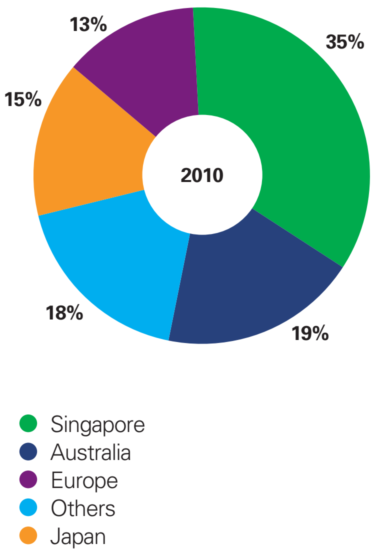


COMMITMENT OF FUNDING



PERFORMANCE OVERVIEW

AVAILABLE LINES BY NATIONALITY OF BANKS



As part of financial discipline, the Group constantly reviews its asset versus liability match to ensure that a prudent portion of committed funding is put in place to match the investments planned holding periods. Although global economic recovery is on track and there is general stability in the financial and capital markets, committed financing was secured whenever possible to support its committed investments and to ensure that the Group had sufficient financial capacity to support its operations and future growth plans.

MATURITY PROFILE

	S$ billion	% of Debt
Due within 1 year *	1.76	17
Between 1 & 2 years	1.72	17
Between 2 & 3 years	0.98	9
Between 3 & 4 years	0.64	6
Between 4 & 5 years	0.58	6
After 5 years	4.68	45

* *Includes long term debt with remaining loan life of less than a year to maturity.*

During the year, the Group has successfully raised several long dated capital market bond issuances of about S$700 million and this has enabled the Group to extend its average loan maturity profile to 3.7 years. It has prudently tapped the debt capital markets opportunistically for longer dated committed funding, ensuring financial discipline by maintaining a strong cash position of S$7.2 billion and unutilised bank lines of about S$3.1 billion. The prudent average loan maturity profile, strong cash position and healthy net debt equity ratio of 0.18 was a result of successful capital recycling strategy and focus on capital productivity by the Group.

In reviewing the maturity profile of its loan portfolio, the Group also took into account any divestment or investment plans, interest rate outlook and the prevailing credit market conditions.

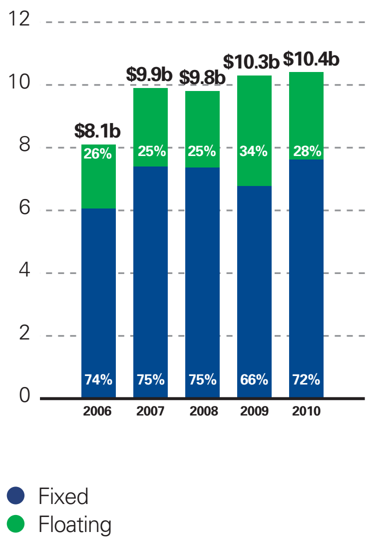
AVAILABLE LINES BY NATIONALITY OF BANKS

The Group with operations spanning more than 110 cities in over 20 countries has built up an extensive and active relationship with a network of more than 30 banks of various nationalities. This has allowed the Group to tap on the strengths and support from the financial institutions in pursuing its strategic growth and presence globally, thus enhancing its competitiveness in core markets and enabling the Group to develop other markets where appropriate.

INTEREST RATE PROFILE

The Group manages its finance cost by maintaining a prudent mix of fixed and floating rate borrowings. As at 31 December 2010, the fixed rate borrowings constituted 72% of the portfolio and the balance 28% were on floating rate basis. As finance cost formed an integral component of the Group's operating costs, a higher percentage in fixed rate funding would offer protection against unexpected rise in interest rates. On balance, to capitalise on the current low interest rate environment and prepayment flexibility from operational cash surplus, the remaining portfolio was maintained on floating rate basis. In managing the interest rate profile, the Group takes into account the interest rate outlook on its loan portfolio, holding periods of its investment portfolio, certainty of its planned divestments and operating cashflow generated from residential sales.

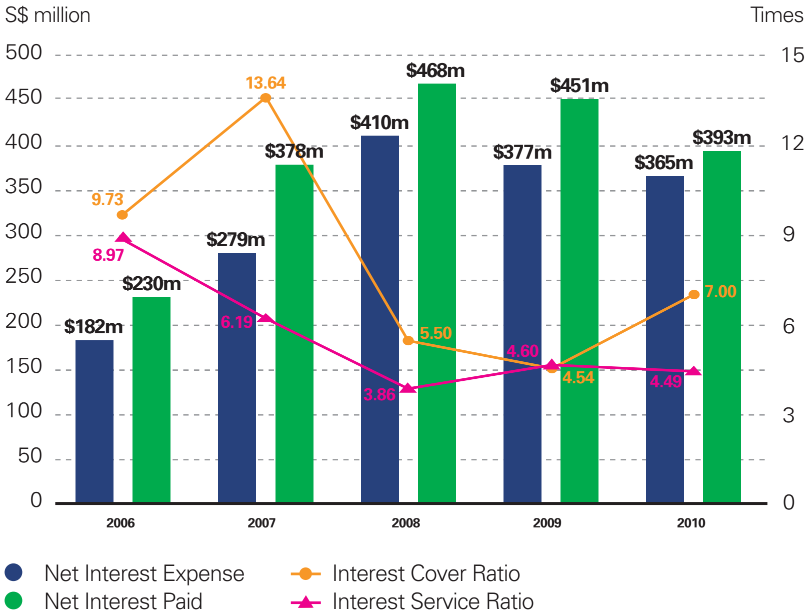
PROFILE OF FIXED AND FLOATING RATE LOANS



INTEREST COVER RATIO AND INTEREST SERVICE RATIO

The Interest Cover Ratio ("ICR") and Interest Service Ratio ("ISR") was 7.00 and 4.49 respectively. ICR was higher at 7.00 compared to 4.54 last year, primarily due to higher profits from the development projects in Singapore and Vietnam, fair value gains from the revaluation of the Group's investment properties portfolio and lower impairment charges. Net interest expense was lower for the year 2010 as a result of the low interest rate environment. ISR was marginally lower at 4.49 compared to 4.60 last year due to lower cashflow generated from operations as the Group had divested four shopping malls and 28 serviced residence properties to our REITs during the year.

INTEREST COVER RATIO AND INTEREST SERVICE RATIO



AWARDS & ACCOLADES

In 2010, CapitaLand Group and its properties clinched over 100 awards and accolades. Some of the awards and accolades are listed below.

CORPORATE AWARDS

CAPITALAND

- Grand Prix for Best Overall Investor Relations (Large Cap)

  The IR Magazine South East Asia Awards 2010

- Best Investor Relations by a CFO – Mr Olivier Lim

  The IR Magazine South East Asia Awards 2010

- Overall Best Company in Singapore for Corporate Governance

  Asiamoney Corporate Governance Poll 2010

- Best for Disclosure and Transparency in Singapore

  Asiamoney Corporate Governance Poll 2010

- Best for Investor Relations in Singapore

  Asiamoney Corporate Governance Poll 2010

- Best Investor Relations Officer in Singapore – Mr Jonathan Kuah

  Asiamoney Corporate Governance Poll 2010

- Best Developer Globally

  Euromoney Real Estate Awards 2010

- Best Mixed-Use Developer Globally

  Euromoney Real Estate Awards 2010

- Best Developer in Asia

  Euromoney Real Estate Awards 2010

- Best Mixed-Use Developer in Asia

  Euromoney Real Estate Awards 2010

- Best Developer in Singapore

  Euromoney Real Estate Awards 2010

- Best Mixed-Use Developer in Singapore

  Euromoney Real Estate Awards 2010

- Most Desired Company to Work For (Gen Y Category)

  Peoplesearch.com Poll

- Most Transparent Company (Property Category)

  SIAS Investors' Choice Awards 2010

  Securities Investors Association (Singapore)

- Dow Jones Sustainability Asia Pacific Index 2010/2011

  SAM and Dow Jones Indexes

- Best Overall Managed Property Company in Asia

  Euromoney Best Managed and Governed Companies – Asia Poll 2010

- Best Overall Managed Company in Singapore (2nd)

  Euromoney Best Managed and Governed Companies – Asia Poll 2010

- Best Corporate Governance in Singapore (2nd)

  Euromoney Best Managed and Governed Companies – Asia Poll 2010

- Best Financial Disclosure Procedure in Asia Pacific

  World Finance Investor Relations Awards 2010

CAPITALAND CHINA HOLDINGS

- 2010 Outstanding Corporate Citizen of China

  China Committee of Corporate Citizenship and CCTV2

- Honorable Partner for Project Hope's 20-Year Anniversary

  China Youth Development Foundation

- Most Creative Idea for Earth Hour 2010

  WWF (China)

- 2010 China's Top In-house Legal Department

  Asia Legal Business

CAPITALAND (VIETNAM) HOLDINGS

- Saigon Times Top 40 – Green Values 2009

  The Saigon Times

- Golden Dragon Award 2010 (High Quality Service)

  Vietnam Economic Times

CAPITAMALLS ASIA

- Best Retail Developer Globally

  Euromoney Real Estate Awards 2010

- Best Retail Developer in Asia

  Euromoney Real Estate Awards 2010

- Best Retail Developer in China

  Euromoney Real Estate Awards 2010

- Best Retail Developer in Singapore

  Euromoney Real Estate Awards 2010

- Most Transparent Company (New Issues) Runners-up

  Securities Investors Association (Singapore)

- Top 10 Famous Retail Real Estate Developer in China

  China Commercial Real Estate Association (CCREA)

- Golden Co-ordinates – Retail Real Estate Leader

  Commerce Promoting Real Estate (CPRE)

THE ASCOTT LIMITED

- Best Serviced Apartment Company

  Business Traveller UK Awards 2010

- Best Serviced Residence Brand in Asia-Pacific

  Business Traveller Asia-Pacific Awards 2010

- Best Serviced Residence in Asia-Pacific

  DestinAsian Readers' Choice Awards 2010

- Best Serviced Residence Operator

  TTG Travel Awards 2010

- Best Serviced Residence Operator in China

  TTG China Travel Awards 2010

- Best Serviced Residence Brand in China

  Business Traveller China Awards 2010

- Best Serviced Residence (Group)

  TravelWeekly China Travel & Meetings Industry Awards 2010

- Best Serviced Residence Operator in China

  The Centre of Asia Hotel Forum's 5th China Starlight Awards 2010

- China's Outstanding Serviced Apartment Brand

  Hotel Industry Development Summit 2010

- Guide Award for Excellent Performance

  Vietnam Economic Times & The Guide 2010

- Saigon Times Top 40 – Green Values 2009

  The Saigon Times

CAPITACOMMERCIAL TRUST

- Best Mid-cap Company

  Asia's Best Managed Companies Poll 2010
  FinanceAsia

RESIDENTIAL DEVELOPMENTS

SINGAPORE

d'Leedon

- Green Mark Gold^{PLUS}

  BCA Awards 2010
  Building and Construction Authority, Singapore

RiverEdge

- Construction Excellence Award

  BCA Awards 2010
  Building and Construction Authority, Singapore

The Interlace

- Green Mark Gold^{PLUS}

  BCA Awards 2010
  Building and Construction Authority, Singapore

- Best Architecture (Multiple Units) Singapore

  Asia Pacific Residential Property Awards 2010

Varsity Park Condominium

- Construction Excellence Award

  BCA Awards 2010
  Building and Construction Authority, Singapore

CHINA

Riverside Ville, Foshan

- Green Mark Award

  BCA Awards 2010
  Building and Construction Authority, Singapore

Summit Residences, Ningbo

- Habitat Award

  Ningbo Construction Committee

AWARDS & ACCOLADES

COMMERCIAL DEVELOPMENTS

SINGAPORE

Six Battery Road

- Green Mark Platinum

  BCA Awards 2010
  Building and Construction Authority, Singapore

Capital Tower

- Green Mark Gold

  BCA Awards 2010
  Building and Construction Authority, Singapore

One George Street

- Green Mark Gold

  BCA Awards 2010
  Building and Construction Authority, Singapore

SHOPPING MALLS

SINGAPORE

ION Orchard

- Gold Award
  New Media: Digital Marketing

  International Council of Shopping Centers (ICSC) Asia 2010

- Best Shopping Experience 2010

  Singapore Tourism Board

CHINA

Raffles City Beijing

- Most Popular Mall and Trendiest Shopping Mall of the Year (Female Shopper's Choice)

  The Beijing News

SERVICED RESIDENCES

SINGAPORE

Ascott Raffles Place Singapore

- Best Serviced Residence in Asia-Pacific (1st)

  Business Traveller Asia-Pacific Awards 2010

CHINA

Ascott Raffles City Beijing

- Best Serviced Residence in China

  The Centre of Asia Hotel Forum's 5th China Starlight Awards 2010

Ascott Huai Hai Road Shanghai

- Best New Project of the Year

  That's Shanghai's Living in Shanghai Awards 2010

JAPAN

Citadines Shinjuku Tokyo

- Top 25 Hotels in Japan

  TripAdvisor Travelers' Choice 2010

MALAYSIA

Ascott Kuala Lumpur

- Best Serviced Residence (Excellence Award)

  Expatriate Lifestyle Magazine's The Best of Malaysia Awards 2010

SOUTH KOREA

Somerset Palace Seoul

- Best Brand - Serviced Residence

  The Korea Herald Readers' Best Brand Awards 2010

THAILAND

Ascott Sathorn Bangkok

- Best Serviced Residence in Asia-Pacific (2nd)

  Business Traveller Asia-Pacific Awards 2010

INTEGRATED DEVELOPMENTS

SINGAPORE

Raffles City Singapore

- Green Mark Gold

  BCA Awards 2010
  Building and Construction Authority, Singapore

CHINA

Raffles City Hangzhou

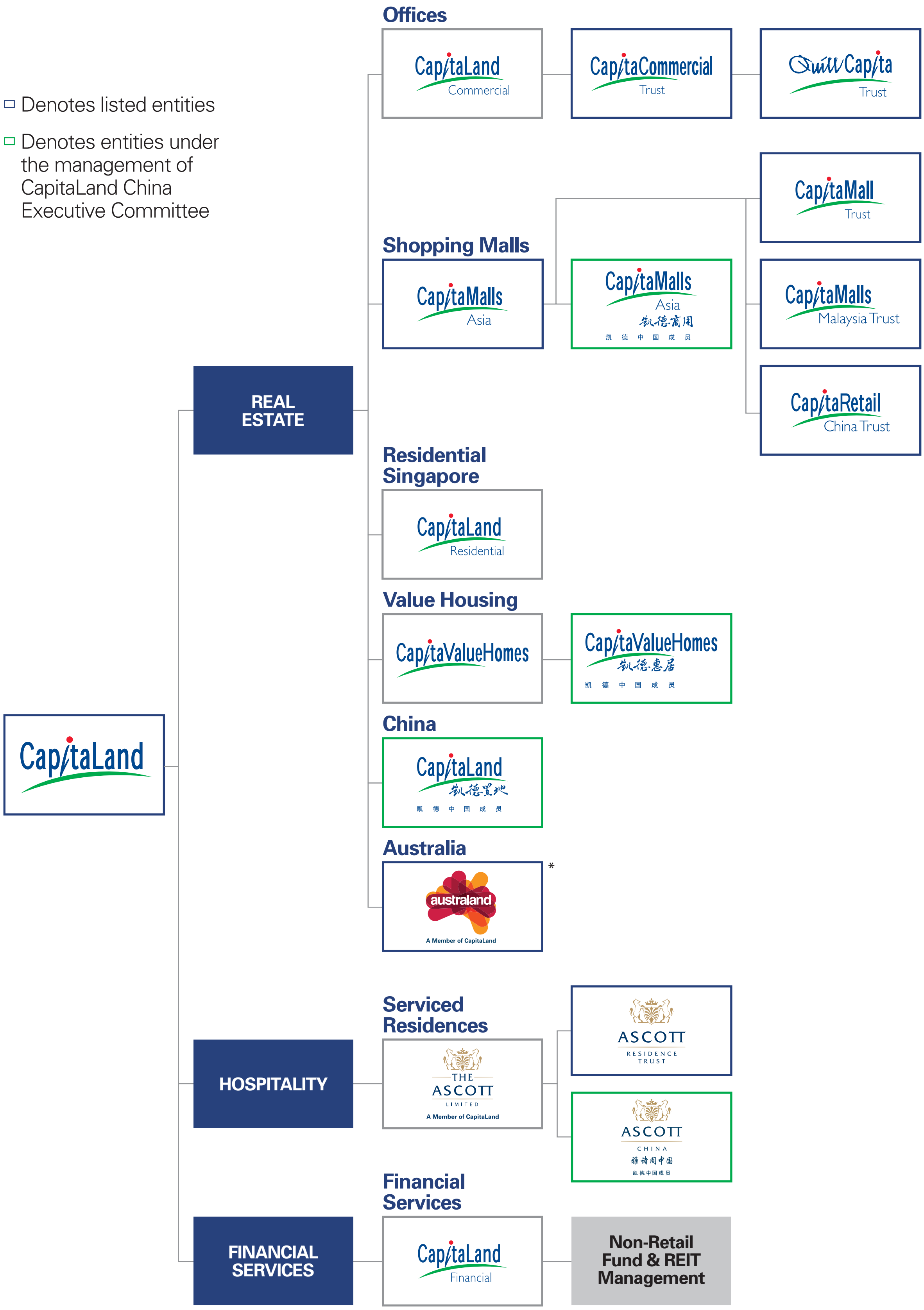
- Gold Level LEED-CS Pre-certification Leadership in Energy and Environmental Design Core & Shell (LEED-CS)

  U.S. Green Building Council

GROUP BUSINESSES

The total market capitalisation of the nine public listed entities in the Group, net of common holdings, is S$29.1 billion as at 31 December 2010.

The Group manages S$50.6 billion of real estate assets.



** New Australand logo launched on 15 March 2011*

Home sales in Singapore reached a new high, surpassing both 2009 and the 2007 market peak

A brisk pace was set in Singapore's residential market in 2010. Home sales reached a new high, surpassing both 2009 and the 2007 market peak. Government measures, intended to reduce speculation and encourage financial prudence, ensured a stable and sustainable property market.

DEVELOPING LANDMARK HOMES

CapitaLand turned in a stellar performance. It launched several projects designed by international architects which were well-received by both local and international homebuyers and investors. A total of 800 homes were sold in the year with sales value amounting to S$1.85 billion.

S$1.85b

A total of 800 homes were sold in the year with sales value amounting to S$1.85 billion

The Interlace's unconventional design by internationally renowned Office for Metropolitan Architecture continued to draw homebuyers. The 1,040-unit condominium, located at the Southern Ridges of Singapore, saw strong phase two sales.

Initial sales commenced for d'Leedon. The 1,715-unit development enjoys a coveted District 10 address and an iconic design by Pritzker Architecture Prize winner Zaha Hadid.

CapitaLand launched the 165-unit Urban Suites and the development has been substantially sold. Preview sales also

CAPITALAND RESIDENTIAL SINGAPORE

D'LEEDON
SINGAPORE

started for the 64-unit Urban Resort Condominium in the year. Both projects are designed by Kerry Hill Architects and located at Cairnhill in the Orchard Road shopping district.

Temporary Occupation Permit was obtained for The Seafront on Meyer, Latitude and The Orchard Residences.

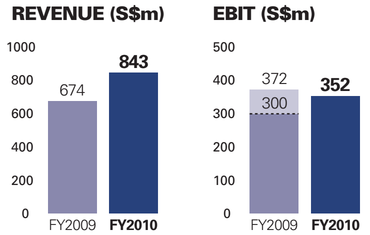
CapitaLand continued to replenish its development pipeline. It secured a prime site in the Bedok Town Centre, and will build an integrated development comprising about 500 apartments above a shopping mall.

CapitaLand will build an integrated development comprising about 500 apartments above a shopping mall on a prime site in the Bedok Town Centre

LOOKING AHEAD

Strong fundamentals, including a rosy economic outlook, low interest rates and ample liquidity in Asia, will sustain optimism and confidence in Singapore's residential market.

CapitaLand will continue to acquire quality sites with strong location attributes to complement its development pipeline. Singapore is becoming a global city and CapitaLand will play an integral role in providing well-designed and well-located homes for both local and international homebuyers.



Revenue increased 25%. Excluding a one-time revaluation gain of S$72 million from ION Orchard in FY2009, EBIT was up 17% year-on-year.

1 **WONG HEANG FINE**
CEO
CAPITALAND RESIDENTIAL SINGAPORE PTE LTD
CEO
CAPITALAND ILEC PTE. LTD.

2 **WONG JEN LAI**
CHIEF INVESTMENT OFFICER
CAPITALAND RESIDENTIAL SINGAPORE PTE LTD
(FROM 1 FEBRUARY 2011)

3 **LEE YEW KWUNG**
SENIOR VICE PRESIDENT, PROJECT DEVELOPMENT & MANAGEMENT
CAPITALAND RESIDENTIAL SINGAPORE PTE LTD

4 **COLIN WONG**
SENIOR VICE PRESIDENT, MARKETING & SALES
CAPITALAND RESIDENTIAL SINGAPORE PTE LTD

5 **ONG SIM LIAN**
SENIOR VICE PRESIDENT, DESIGN MANAGEMENT
CAPITALAND RESIDENTIAL SINGAPORE PTE LTD

6 **KU WEI SIONG**
SENIOR VICE PRESIDENT
CAPITALAND GCC HOLDINGS PTE. LTD.

7 **ANSON LIM**
VICE PRESIDENT, INVESTMENT
CAPITALAND RESIDENTIAL SINGAPORE PTE LTD

8 **TAN SEO LING**
VICE PRESIDENT, FINANCE
CAPITALAND RESIDENTIAL SINGAPORE PTE LTD

CAPITALAND CHINA

SUMMIT RESIDENCES
NINGBO
CHINA

In China, CapitaLand's portfolio spans homes, office buildings, shopping malls, serviced residences and integrated developments. Its multi-region and multi-sector business model continues to provide a diversified earnings base for the Group.

RMB5.4b

Sold over 2,900 residential units across China with a total sales value of RMB5.4 billion

ROBUST RESIDENTIAL SALES

Demand for homes remained strong, supported by genuine homebuyers, improvement in buyer confidence and robust economic fundamentals.

In 2010, CapitaLand China sold over 2,900 residential units across Beijing, Shanghai, Chengdu, Ningbo, Kunshan and Foshan, with a total sales value of RMB5.4 billion (S$1.1 billion). New launches included Beaufort in Beijing, The Pinnacle in Shanghai and The Metropolis in Kunshan. New units at The Loft in Chengdu were also released for sale.

GROWING THE DEVELOPMENT PIPELINE

The acquisition of Orient Overseas Developments Limited provided a unique portfolio of seven prime sites in Shanghai, Kunshan and Tianjin and marked a key milestone in the next phase of growth in China. The Changning site provided the

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CEO
CAPITALAND CHINA HOLDINGS PTE LTD

2 **LUCAS LOH**
CHIEF INVESTMENT OFFICER
REGIONAL GENERAL MANAGER, SOUTH CHINA
CAPITALAND CHINA HOLDINGS PTE LTD

3 **CHAN BOON SENG**
CHIEF DEVELOPMENT OFFICER
REGIONAL GENERAL MANAGER, EAST CHINA
CAPITALAND CHINA HOLDINGS PTE LTD

4 **STEVE GONG**
CHIEF FINANCIAL OFFICER
CAPITALAND CHINA HOLDINGS PTE LTD

5 **CHIN PHEI CHEN**
CHIEF CORPORATE OFFICER
CAPITALAND CHINA HOLDINGS PTE LTD

6 **HAN WEI**
REGIONAL GENERAL MANAGER, NORTH CHINA
CAPITALAND CHINA HOLDINGS PTE LTD

7 **HOON TECK MING**
REGIONAL GENERAL MANAGER, SOUTHWEST CHINA
CAPITALAND CHINA HOLDINGS PTE LTD

ideal location to build a second Raffles City in Shanghai while a quick time-to-market was achieved for the residential projects.

BUILDING THE RAFFLES CITY BRAND

During the year, CapitaLand extended the 'Raffles City' brand with another two developments in Shenzhen and Changning, Shanghai, and its 'Raffles City' branded portfolio now totals seven properties across China. The completed 'Raffles City' developments in Shanghai and Beijing are highly successful and enjoy close to full occupancy for their office and retail space. Construction of another five developments is underway and will be completed in phases between 2012 and 2015.

LOOKING AHEAD

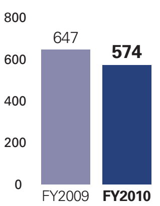
CapitaLand is a long-term investor in China and remains optimistic about its real estate market. The Chinese government has ensured a steady property market through measures to curb excessive speculation and ensure market sustainability. With a balanced portfolio of properties across various real estate sectors, CapitaLand is well-positioned to benefit from the country's strong economic growth and grow its business in China.

7

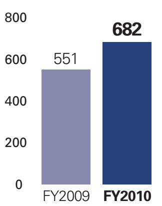
RAFFLES CITY DEVELOPMENTS

'Raffles City' branded portfolio now totals seven properties in China with the addition of another two developments in Shenzhen and Changning, Shanghai in 2010

REVENUE (S$m)



EBIT (S$m)



Revenue was lower by 11% as sales were mainly through associates and not consolidated. EBIT rose by 24%, boosted by higher portfolio gains.

S$1.53b

Total gain of S$1.53 billion from divestments of commercial and industrial assets

Singapore office market improved during the year with office rents strengthening by about 24% after bottoming out in the first quarter. CapitaLand Commercial Limited's (CCL's) office portfolio in Singapore is held mainly through its listed REIT, CapitaCommercial Trust (CCT). CCT's committed portfolio occupancy rate increased to 99.3%, above market level, at end-2010.

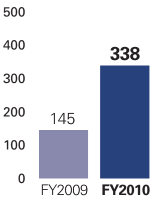
UNLOCKING VALUE FOR CAPITAL RECYCLING

Over the last decade, CapitaLand booked a total gain of S$1.53 billion from the divestments of its commercial and industrial assets. The proceeds were redeployed to grow the Group's business in other high-growth markets and sectors such as China and shopping malls.

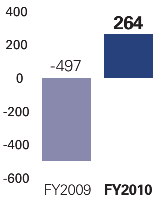
In line with CapitaLand's capital-efficient strategy, in 2010, CCL divested its 163 strata-titled office and retail units at The Adelphi, a mixed-use development located in Singapore's Downtown district, for S$218.1 million. CCT unlocked value by divesting two non-Grade A office properties, Robinson Point and Starhub Centre located in Singapore, for total net proceeds of approximately S$578.1 million.

In India, CCL divested its 49% stake in the 590-unit freehold residential development, The Orchard Residency, in Ghatkopar, Mumbai, for INR1.02 billion (approximately S$30 million).

REVENUE (S$m)



EBIT (S$m)



Revenue increased 133% from revenue recognition of projects in Vietnam. EBIT recovered to S$264 million on fair value gains and lower impairment losses.

Six Battery Road will feature the first and largest indoor vertical garden in Singapore's CBD designed by Dr Patrick Blanc

ENHANCING ASSET VALUE

CCT commenced asset enhancement works at Six Battery Road, a Grade A office building located in Singapore's Central Business District (CBD). At a cost of S$92 million, the initiative will augment the building's technical, aesthetic and green specifications to capture the office market recovery and is expected to be completed in phases by end-2013. It is the first operating office building in Singapore's CBD to be conferred the prestigious Green Mark Platinum award by the Building and Construction Authority.

S$92m

S$92 million asset enhancement works at Six Battery Road expected to be completed in phases by end-2013

GROWING STORHUB SELF-STORAGE BUSINESS

CCL established a joint venture with Hersing Corporation Ltd to grow the self-storage business under StorHub brand. CCL holds a 62% stake in the joint venture which owns and manages self-storage facilities at four properties, totalling approximately 363,000 square feet of gross floor area in Singapore.

363,000
SQUARE FEET

Owns and manages self-storage facilities totalling approximately 363,000 square feet of gross floor area in Singapore

LOOKING AHEAD

In tandem with the optimistic economic outlook for Singapore and Asia, the office market is expected to continue to improve. CapitaLand's active portfolio management and capital recycling strategies will enhance its nimbleness in the rising office market.

CCL will grow its new business in self-storage and double StorHub portfolio of properties in the coming year.

1 **CHONG LIT CHEONG**
CEO
CAPITALAND COMMERCIAL LIMITED
(FROM 10 FEBRUARY 2011)

2 **EE CHEE HONG**
CEO
CAPITALAND COMMERCIAL LIMITED
(ON SABBATICAL FROM JANUARY 2011)

3 **LYNETTE LEONG**
CEO
CAPITACOMMERCIAL TRUST MANAGEMENT LIMITED

4 **CHAN SAY YEONG**
MANAGING DIRECTOR, MALAYSIA
CAPITALAND COMMERCIAL LIMITED

5 **POON HIN KONG**
SENIOR VICE PRESIDENT, DESIGN & DEVELOPMENT
CAPITALAND COMMERCIAL LIMITED

6 **MICHELLE KOH**
SENIOR VICE PRESIDENT, LEGAL & SECRETARIAT
CAPITALAND COMMERCIAL LIMITED

7 **EDWARD BIN**
FINANCIAL CONTROLLER
CAPITALAND COMMERCIAL LIMITED

8 **DAWN LAI**
VICE PRESIDENT, MARKETING & LEASING
CAPITALAND COMMERCIAL LIMITED

CAPITAMALLS ASIA

CUIWEI MALL
BEIJING
CHINA

2010 marked the first full year of operations for CapitaMalls Asia (CMA) after listing on the Singapore Exchange on 25 November 2009. During the year, CMA continued to grow its presence as a leading shopping mall developer, owner and manager in Asia.

As at end-2010, CMA had interests in and managed 91 shopping malls across 49 cities in Singapore, China, Malaysia, Japan and India, with a total property value of about S$23.7 billion and total gross floor area (GFA) of about 73.4 million square feet (sq ft). Of these, 65 malls were operational while the other 26 will open over the coming years.

GROWING OUR PRESENCE

In 2010, CMA committed about S$2 billion in six new projects in Singapore, China and Malaysia. These projects consist of one in Singapore (a shopping mall cum residential development at Bedok); four in China (Meili Mall and an integrated development in Tianfu in Chengdu; and a prime shopping mall and office development in Luwan, Shanghai as well as Raffles City Changning in the city); and one in Malaysia (Queensbay Mall in Penang).

S$2b

Committed S$2 billion in six new projects in Singapore, China and Malaysia in 2010

In capital management, CMA monetised Clarke Quay to CapitaMall Trust for S$268 million. This was followed by the successful listing of CapitaMalls Malaysia Trust on Bursa Malaysia, making it the country's largest "pure-play" shopping mall real estate investment

1 **LIM BENG CHEE**
CEO
CAPITAMALLS ASIA LIMITED

2 **NG KOK SIONG**
CHIEF FINANCIAL OFFICER
CAPITAMALLS ASIA LIMITED

3 **SIMON HO**
CEO
CAPITAMALL TRUST MANAGEMENT LIMITED

4 **SIMON YONG**
CHIEF DEVELOPMENT OFFICER
CAPITAMALLS ASIA LIMITED

5 **GOH SOON YONG**
CEO, CHINA
CAPITAMALLS ASIA LIMITED

6 **LOCK WAI HAN**
CHIEF CORPORATE OFFICER
CAPITAMALLS ASIA LIMITED

7 **TONY TAN TEE HIEONG**
CEO
CAPITARETAIL CHINA TRUST MANAGEMENT LIMITED

8 **SHARON LIM**
CEO
CAPITAMALLS MALAYSIA REIT MANAGEMENT SDN. BHD.

9 **JESLINE GOH**
DEPUTY CEO
CAPITAMALL TRUST MANAGEMENT LIMITED

10 **TOH KIM SAI**
DEPUTY CHIEF DEVELOPMENT OFFICER
CAPITAMALLS ASIA LIMITED

11 **KEK CHEE HOW**
COUNTRY HEAD, JAPAN
CAPITAMALLS ASIA LIMITED

12 **KEVIN CHEE**
COUNTRY HEAD, INDIA
CAPITAMALLS ASIA LIMITED

trust. CMA's wholly-owned subsidiary, CapitaMalls Asia Treasury Limited (CMATL), issued S$350 million of 7-year corporate bonds in August paying 3.95% per annum. Sensing demand from retail investors, CMATL successfully issued S$200 million of 1-year and 3-year retail bonds, paying interest of 1% and 2.15% per annum respectively, in January 2011.

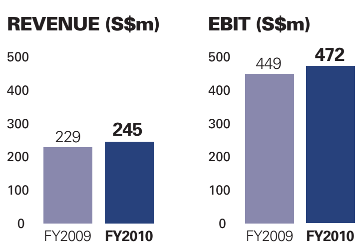
CMA continued to make good progress in China with the opening of five malls in 2010: Aidemengdun Mall in Harbin, Cuiwei Mall in Beijing, Anyang Mall in Anyang, Jinshui Mall in Zhengzhou and Xinxiang Mall in Xinxiang. As at end-2010, CMA had 53 shopping malls in 34 cities in China, with a total GFA of 48.6 million sq ft. Of these, 38 malls were operational.

LOOKING AHEAD

With the confidence from the improving performances of its malls in China, CMA has set an interim goal of doubling the China portfolio to 100 malls in the coming three to five years. For 2011, CMA targets to acquire another S$2 billion of projects in its key markets of Singapore, China and Malaysia.

100
MALLS IN CHINA

Target to double China portfolio to 100 malls within 3 to 5 years



Revenue rose 7% despite monetising four properties in Malaysia and Singapore into REITs. EBIT increased 5% on higher revaluation gains and better operating performance.

THE ASCOTT LIMITED

ASCOTT HUAI HAI ROAD SHANGHAI
CHINA

In 2010, CapitaLand's serviced residence business unit, The Ascott Limited (Ascott), continued to strengthen its lead and enhanced its competitive advantage as the world's largest international serviced residence owner-operator.

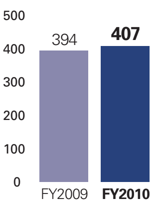
Injected 28 quality stabilised assets in Europe and Asia into Ascott Reit, gaining financial capacity to capture new growth opportunities

STRENGTHENED LEADERSHIP POSITION

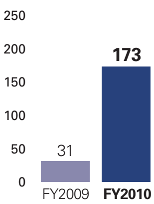
Ascott reinforced its leadership in markets where it has presence and expanded into more cities. With its strong international branding and award-winning hospitality capabilities, Ascott clinched contracts to manage 12 properties with over 2,000 apartment units across 12 cities. Through these management contracts, Ascott entered into Danang in Vietnam, Bali in Indonesia and Chengdu, Hangzhou and Ningbo in China.

Besides new contracts, Ascott opened 14 properties with over 2,800 apartment units across 13 cities. These included its first property in four cities – Kyoto in Japan and Chengdu, Shenyang and Wuhan in China. It also opened its first Ascott-branded property in Dubai in UAE, and its first Citadines-branded property in Australia and Indonesia.

REVENUE (S$m)



EBIT (S$m)



Revenue increased despite the sale of 28 properties to Ascott Reit. EBIT surged over 450% to S$173 million on portfolio gains and improved business.

ENHANCED COMPETITIVE ADVANTAGE

Ascott injected 28 quality stabilised assets in Europe and Asia into Ascott Reit with divestment proceeds of S$974 million. This move gave Ascott financial capacity to capture new growth opportunities.

1 **LIM MING YAN**
CEO
THE ASCOTT LIMITED

2 **CHONG KEE HIONG**
CEO
ASCOTT RESIDENCE TRUST MANAGEMENT LIMITED

3 **ALFRED ONG**
MANAGING DIRECTOR, SOUTHEAST ASIA & AUSTRALIA
THE ASCOTT LIMITED

4 **LEE CHEE KOON**
MANAGING DIRECTOR, NORTH ASIA
THE ASCOTT LIMITED

5 **RONALD TAY**
CHIEF INVESTMENT OFFICER
THE ASCOTT LIMITED

6 **TAN CHOON KWANG**
MANAGING DIRECTOR, EUROPE
THE ASCOTT LIMITED

7 **TONY SOH**
CHIEF CORPORATE OFFICER
THE ASCOTT LIMITED

8 **WONG HOOE WAI**
CHIEF DEVELOPMENT OFFICER
THE ASCOTT LIMITED

9 **YEONG LAI MENG**
SENIOR VICE PRESIDENT, FINANCE
THE ASCOTT LIMITED

Ascott plans to invest around S$70 million to refurbish 16 properties across Asia and Europe over the next two years. The divestment has also transformed Ascott Reit into a larger and stronger platform which complements Ascott's global growth strategy.

As Ascott expanded globally, it garnered over 20 prestigious awards for its strong branding, outstanding service and management excellence. These included 'Best Serviced Residence Brand' at the Business Traveller Asia-Pacific Awards and 'Best Serviced Residence Operator' at the TTG Travel Awards.

LOOKING AHEAD

Demand for serviced residences is growing. The growth is due to the increase in global travel and relocation assignments, given the improving world economy. Ascott is on track to achieve 40,000 apartment units globally by 2015. In 2011, it will redeploy S$1 billion capital to invest in Asia and Europe, open at least 12 properties and secure 12 more new management contracts and investments. To create more value for customers, Ascott will also continue to refurbish its properties, enhance its operating systems and expand its talent pool.

OVER
20
PRESTIGIOUS AWARDS

Garnered over 20 prestigious awards for strong branding, outstanding service and management excellence

40,000
APARTMENT UNITS

On track to achieve 40,000 apartment units globally by 2015

CapitaLand's competitive edge is the ability to integrate leisure, entertainment and conventions themes with homes, offices, shopping malls and serviced residences

CapitaLand's competitive edge is the ability to integrate leisure, entertainment and conventions themes with homes, offices, shopping malls and serviced residences.

GROWING THE RAFFLES CITY SIGNATURE BRAND

The 'Raffles City' brand is synonymous with architecturally-outstanding landmark developments which offer an exciting integrated living, working and retail experience. CapitaLand has seven 'Raffles City' branded developments in its portfolio across China and one in Singapore. The first, Raffles City Singapore, is an iconic landmark which still attracts thousands of visitors daily.

In 2010, CapitaLand announced plans for two more 'Raffles City' developments in China. Raffles City Changning – Shanghai's second Raffles City – will comprise a Grade A office tower and a shopping mall, and is centrally located in Changning District, near the Hongqiao Transportation Hub. Raffles City Shenzhen, strategically located in the Nanshan commercial district, will comprise a Grade A office tower, a shopping mall and a serviced residencey.

CAPITALAND INTEGRATED DEVELOPMENTS

RAFFLES CITY SHENZHEN
CHINA

INTEGRATED LIFESTYLE DESTINATIONS

In Singapore, ION Orchard remains the 'must visit' shopping destination on Orchard Road while The Orchard Residences – a luxury residential condominium above the mall – obtained Temporary Occupation Permit. CapitaLand secured a strategic site in the Bedok Town Centre where it will build an integrated development comprising about 500 apartments above a one-stop family shopping mall. It will provide a new and dynamic residential and shopping destination in the heart of the Bedok transportation hub.

In the United Arab Emirates, the five towers of Rihan Heights – the first phase of the landmark Arzanah project in Abu Dhabi – reached their final heights in November, and are on track to welcome homeowners in 2011.

LOOKING AHEAD

CapitaLand will seek to expand its strong Raffles City franchise into other countries, including Vietnam and Malaysia.

CapitaLand seeks to expand its Raffles City franchise into other countries, including Vietnam and Malaysia

1 **LIM MING YAN**
CEO
THE ASCOTT LIMITED

2 **WONG HEANG FINE**
CEO
CAPITALAND RESIDENTIAL SINGAPORE PTE LTD
CEO
CAPITALAND ILEC PTE. LTD.

3 **JASON LEOW**
CEO
CAPITALAND CHINA HOLDINGS PTE LTD

4 **LIM BENG CHEE**
CEO
CAPITAMALLS ASIA LIMITED

5 **LYNETTE LEONG**
CEO
CAPITACOMMERCIAL TRUST MANAGEMENT LIMITED

6 **SIMON HO**
CEO
CAPITAMALL TRUST MANAGEMENT LIMITED

CAPITAVALUE HOMES

BEAU RIVAGE
HO CHI MINH CITY
VIETNAM

Over the years, CapitaLand has built a strong track record as a reputable international real estate developer in Vietnam. Today, Vietnam is a core market for CapitaLand given its strong economic growth and rapid urbanisation as well as a huge and young population. Currently, CapitaLand's presence is in Hanoi, Ho Chi Minh City, Hai Phong and Danang, in the residential and serviced residence sectors.

OVER
4,000
PRIME RESIDENTIAL UNITS

Total portfolio of over 4,000 prime residential units across four projects in Ho Chi Minh City and Hanoi

BUILDING RESIDENTIAL PORTFOLIO

In 2010, CapitaLand signed an agreement with Hoang Thanh, a leading local real estate company, to jointly develop 960 apartments on a 14,000-square-metre prime residential site in Ha Dong District in Hanoi. This brings the portfolio of prime residential units to over 4,000 across four projects in Ho Chi Minh City and Hanoi.

CapitaLand established a US$200 million joint venture fund with Mitsubishi Estate Asia and GIC Real Estate to invest in residential developments in Ho Chi Minh City and Hanoi. As the lead shareholder, it will inject a pipeline of projects into the joint venture fund and spearhead the marketing and project development functions.

1 **CHEN LIAN PANG**
CEO
CAPITAVALUE HOMES LIMITED

2 **YIP HOONG MUN**
DEPUTY CEO, VIETNAM
CAPITAVALUE HOMES LIMITED

3 **LEOW SIEW BENG**
CHIEF CORPORATE OFFICER
CAPITAVALUE HOMES LIMITED

4 **POON HIN KONG**
CHIEF OF DESIGN MANAGEMENT
CAPITAVALUE HOMES LIMITED

5 **QIAN YI QI**
MANAGING DIRECTOR, CHINA
CAPITAVALUE HOMES LIMITED

6 **YOONG VOON SIN**
GENERAL MANAGER, CENTRAL CHINA
CAPITAVALUE HOMES LIMITED

7 **LIM WIE SHAN**
GENERAL MANAGER, SOUTH VIETNAM
CAPITAVALUE HOMES LIMITED

8 **TAN MING CHIAN**
GENERAL MANAGER, NORTH VIETNAM
CAPITAVALUE HOMES LIMITED

9 **LIM HUA TIONG**
VICE PRESIDENT, FINANCE
CAPITAVALUE HOMES LIMITED

BUILDING AFFORDABLE HOMES

Leveraging on its track records in China and Vietnam, CapitaLand established CapitaValue Homes, a new business unit to focus on the affordable housing segment in Asia. CapitaValue Homes aims to build well-designed homes targeted at mass market first-time homebuyers whose mortgage capacity to purchase homes are pegged to no more than 40% of the household income level in a particular city.

Leveraging on its track records in China and Vietnam, CapitaLand established CapitaValue Homes to focus on the affordable housing segment in Asia

CapitaValue Homes has an initial pipeline of over 2,500 affordable homes. It will develop approximately 500 homes on a 9,000-square-metre site located in District 9 of Ho Chi Minh City, Vietnam. The project is targeted to be launch-ready by early 2012. Its other maiden project is a site estimated to yield over 2,000 homes in Wuhan, China.

OVER
2,500
AFFORDABLE HOMES

Initial pipeline of over 2,500 affordable homes

LOOKING AHEAD

CapitaLand remains confident of the outlook for Vietnam. In the next three to five years, the Group will also explore opportunities in other real estate sectors and grow its total assets in Vietnam from the current S$400 million to S$2 billion. For CapitaValue Homes, it targets to build 10,000 to 15,000 affordable homes annually in the next three to five years.

OVER
S$30b

The Group's financial services business has Assets Under Management of over S$30 billion

CapitaLand is one of Asia's leading real estate fund managers. It has established a strong track record in originating, structuring and managing real estate funds and financial products.

The Group has originated a portfolio of six REITs and 21 real estate private equity funds, of which four private equity funds have successfully matured. As at end-2010, the Group's financial services business has Assets Under Management (AUM) of over S$30 billion.

S$91.3m

All REITs under CapitaLand's management achieved strong growth and contributed a total of S$91.3 million in management fees to the Group

STRONG FUND MANAGEMENT CAPABILITIES

In 2010, the Group listed its sixth REIT, CapitaMalls Malaysia Trust, the largest "pure-play" shopping mall REIT in Malaysia. CapitaLand closed two joint venture funds, one investing in residential developments in Vietnam and the other to develop Raffles City Changning in Shanghai, China. In addition, CapitaLand upsized Raffles City China Fund from US$1 billion to US$1.18 billion and increased the fund's portfolio of properties to five Raffles City integrated developments in China by injecting Raffles City Ningbo into the fund.

GROWING OUR REITS

All REITs under CapitaLand's management achieved strong growth and contributed a total of S$91.3 million in management fees to the Group in 2010, an increase of 35%. The REIT managers continued to enhance their portfolios through acquisitions, asset enhancements, proactive leasing strategies and portfolio reconstitution.

CAPITALAND FINANCIAL SERVICES

RAFFLES CITY NINGBO
CHINA

Ascott Residence Trust acquired 28 properties in Asia and Europe, almost doubling its portfolio value from S$1.56 billion in 2009 to S$2.71 billion in 2010. Ascott Residence Trust also divested two properties - Ascott Beijing in China and Country Woods Jakarta in Indonesia, achieving sale proceeds of S$227.0 million and net gain of S$103.9 milion.

CapitaMall Trust, Singapore's largest REIT by asset size and market capitalisation, acquired Clarke Quay, bringing its portfolio to 15 strategically located malls in the suburban areas and Downtown Core.

CapitaCommercial Trust, Singapore's first listed commercial REIT, unlocked approximately S$578.1 million from divesting two non-Grade A office properties, Robinson Point and Starhub Centre.

On the asset enhancement front, CapitaLand REITs continued to improve the asset productivity by carrying out enhancement works in Raffles City Singapore, JCube and Six Battery Road in Singapore as well as Saihan Mall in Inner Mongolia, China.

FINANCIAL PRODUCTS

During the year, CapitaLand Financial Limited originated four mezzanine financing and credit enhancement deals.

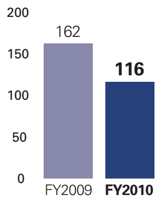
LOOKING AHEAD

CapitaLand will continue to grow its AUM through accretive acquisitions, asset enhancements and to explore opportunities to originate new funds and financial products in Singapore, China, Vietnam and Malaysia.

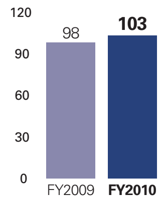
S$2.71b

Ascott Residence Trust acquired 28 properties in Asia and Europe, almost doubling its portfolio value from S$1.56 billion to S$2.71 billion

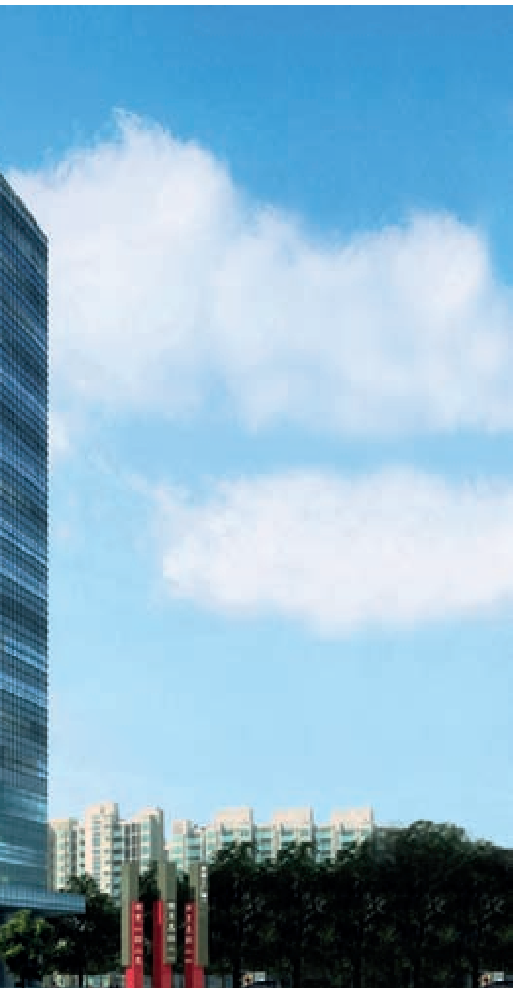
REVENUE (S$m)



EBIT (S$m)



Revenue declined 28% as certain fund management companies were transferred to CMA. EBIT, however, was up 5% on better operating performance and higher portfolio gains.



1 **WEN KHAI MENG**
CEO
CAPITALAND FINANCIAL LIMITED

2 **ANG SIEW YAN**
DEPUTY CEO
CAPITALAND FINANCIAL LIMITED

3 **JOHN PANG**
MANAGING DIRECTOR
CAPITALAND FINANCIAL LIMITED

4 **CHAN LEE FONG**
HEAD, FINANCE & CORPORATE SERVICES
CAPITALAND FINANCIAL LIMITED

5 **LYNETTE LEONG**
CEO
CAPITACOMMERCIAL TRUST MANAGEMENT LIMITED

6 **CHONG KEE HIONG**
CEO
ASCOTT RESIDENCE TRUST MANAGEMENT LIMITED

7 **CHAN SAY YEONG**
CEO
QUILL CAPITA MANAGEMENT SDN. BHD.

1 **BOB JOHNSTON**
MANAGING DIRECTOR AND CEO
AUSTRALAND PROPERTY GROUP

2 **SEAN MCMAHON**
EXECUTIVE GENERAL MANAGER, COMMERCIAL & INDUSTRIAL
AUSTRALAND PROPERTY GROUP

3 **ROD FEHRING**
EXECUTIVE GENERAL MANAGER, RESIDENTIAL
AUSTRALAND PROPERTY GROUP

4 **KIERAN PRYKE**
CHIEF FINANCIAL OFFICER
AUSTRALAND PROPERTY GROUP

5 **MICHAEL NEWSOM**
GENERAL COUNSEL
AUSTRALAND PROPERTY GROUP

6 **BEV BOOKER**
COMPANY SECRETARY
AUSTRALAND PROPERTY GROUP

7 **CHRIS WARRELL**
EXECUTIVE GENERAL MANAGER, HUMAN RESOURCES
AUSTRALAND PROPERTY GROUP

A$128m

Achieved a solid operating result of A$128 million, up 6% on 2009

A$2.1b

High quality investment portfolio valued at A$2.1 billion as at December 31, 2010

CapitaLand's listed subsidiary Australand remains one of Australia's major diversified property groups with activities throughout Australia including the development of residential land, housing and apartments and the development and ownership of income producing commercial and industrial properties.

STRONG OPERATIONAL PERFORMANCE

- Australand achieved a solid operating result of A$128 million (S$162 million), up 6% on 2009. The Group's statutory result for the full year was a profit of A$166 million (S$210 million). The full year result reflects the resilience of the Group's high quality investment portfolio and the emerging recovery of the development businesses.

Australand's Residential division achieved 1,544 lot sales valued at A$538 million (S$682 million), during 2010. Australand's core expertise in land and medium density developments and its ability to deliver affordable homes remains a competitive advantage. With a record level of sales contracts on hand at the end of 2010 and the commencement of several new projects, the outlook for the residential division remains positive.

- Australand's high quality investment portfolio was valued at A$2.1 billion (S$2.7 billion) as at December 31, 2010. Portfolio metrics remain very strong with occupancy of 98% and a weighted average lease expiry profile of 5.0 years.

AUSTRALAND PROPERTY GROUP

WARRIEWOOD, THE SANDS
SYDNEY
AUSTRALIA

At year end, the Group's internal office and industrial development pipeline comprised 11 projects with an end value of A$430 million (S$545 million).

In December 2010, Australand was included in the S&P/ASX 200 A-REIT and S&P/ASX 300 A-REIT Indices representing a significant milestone for the Group and reflecting the strategic direction of the business.

In 2010 Australand focused on rebuilding a platform to support the future growth and sustainability of its business. This includes an investment in new information systems, staff development, and a comprehensive brand refreshment programme which has now been launched.

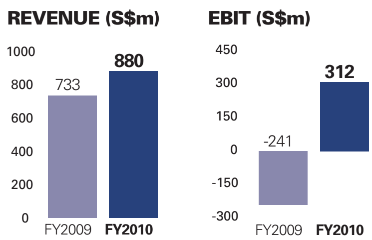
A Member of CapitaLand

New Australand logo launched on 15 March 2011

OUTLOOK

The Australian economy continues to outperform most other developed economies and its outlook remains favourable given its leverage to the growing Asia region. Strong employment conditions and improving consumer confidence combined with Australand's competitive positioning in each of the sectors in which it operates provide reason for Australand to be optimistic.

Australand has a clear growth strategy and earnings momentum which positions it well to deliver continued growth.



Revenue up 20% on higher sales from development projects and rental income. EBIT turned around to S$312 million on improved operating performance, fair value gains and absence of impairment.

HUMAN RESOURCE

Identifies talents both internally and from a wide spectrum of sources externally to build talent pipeline and bench strength for growth and succession planning

CapitaLand recognises the importance of managing and developing human capital. Its credo of "Building People to Build for People" means developing them to reach their maximum potential, aligning their personal goals with the company's objectives, and creating a work environment for them to contribute positively. This is the Group's integrated human capital strategy to recruit, develop and motivate employees.

TALENT MANAGEMENT

CapitaLand identifies talents both internally and externally to build its talent pipeline to support its growth strategy, build its bench strength and facilitate succession planning. These include undergraduates, fresh graduates, young and mid-career professionals as well as industry veterans.

CapitaLand recruited talents through its network and collaborations with Singapore and overseas universities. CapitaLand also invested in future leaders through scholarship programs such as the CapitaLand–BCA Scholarship, CapitaLand-NUS-USP Scholarship and CapitaLand International Scholarship.

During the year, CapitaLand continued its focus in training and development programs to further equip employees for the changing business environment particularly in this period of

Real estate skill sets training by CapitaLand Group President & CEO Liew Mun Leong

Since formation in 2006, CapitaLand Institute of Management and Business (CLIMB) has provided training for 5,750 employees

economy recovery from the global financial crisis. Launched in 2006, the CapitaLand Institute of Management and Business (CLIMB) has provided training for 5,750 employees from various countries. Ascott Centre for Excellence (ACE), Ascott's global hospitality training centre in Singapore, has trained over 1,400 people for the hotel and accommodation services sector. CapitaLand's successful ICE (Innovation, Creativity, Entrepreneurship) programs continued to inspire its diversified employee base. To date, over 1,100 employees have contributed and shared ideas at 27 ICE camps and related activities held in various countries.

COMPETITIVE COMPENSATION & BENEFITS

CapitaLand motivates and rewards employees with comprehensive and competitive compensation and benefits programmes. Incentives include short-term cash bonuses and long-term equity-based reward plans. The performance-based Restricted Share Plan is an attractive long-term incentive to employees which gives them a personal stake in the company, contingent on achieving performance targets. This better aligns employee and shareholder interests to deliver business results. Regular benchmarking against relevant markets as well as innovation in compensation strategies ensure CapitaLand remains competitive and continues to attract and retain talent.

CORPORATE SOCIAL RESPONSIBILITY

Underprivileged children from China visiting the Australia Pavilion at the Shanghai World Expo 2010 as part of the Hand in Hand 20.10 programme

CapitaLand is committed to be a good corporate citizen. The Group aims to contribute to the societies within which it operates and promote sustainable growth for future generations. Its efforts focus on the environment, philanthropy and the community.

Listed in Dow Jones Asia Pacific Sustainability Index 3 years in a row

In 2010, CapitaLand was recognised as a corporate sustainability leader by retaining the listing in the Dow Jones Sustainability Asia Pacific Index for the third year running. It was also highlighted as a sustainability leader in the Asian Sustainability Rating (ASR™) 2010. The Group clinched the prestigious Building and Construction Authority Green Mark Platinum award for its Six Battery Road office building, a first for an operating office building in Singapore.

CapitaLand published its first Sustainability Report providing comprehensive details of the Group's corporate governance, environmental, human capital development and philanthropic initiatives.

CapitaLand staff plays an active role in all the Group's corporate social responsibility programmes, participating in community outreach activities and volunteer expeditions. In 2010, CapitaLand staff in Singapore volunteered over 2,400 hours in various philanthropic activities.

S$10m

Donated close to S$10 million to aid underprivileged children since 2005

PHILANTHROPY

Every year, CapitaLand allocates up to 0.5% of its net profit to CapitaLand Hope Foundation (CHF), its philanthropic arm, to support programmes for the shelter, education and healthcare needs of underprivileged children. In 2010, CHF celebrated its 5th anniversary with close to S$10 million donated since 2005.

Its donation of S$500,000 to President's Challenge 2010 was largely due to the charity sales of the book "Building People: Sunday Emails from a CEO Volume 2" by Mr Liew Mun Leong, President and CEO, CapitaLand Group.

CapitaLand launched the "Hand in Hand 20.10" campaign, bringing 2,010 underprivileged children from all over China to visit the Shanghai World Expo 2010, with the aim of inspiring them to work towards a better life. In recognition of its efforts,

CapitaLand Hope Foundation board and management with our property tenants and beneficiaries at the Green for Hope @ CapitaLand Launch Ceremony

CapitaLand China was awarded "China Best Corporate Citizen" award for the third year running, by the China Committee of Corporate Citizenship and CCTV2.

CHF established the CapitaLand Kids' Food Fund programme, donating S$525,000 to provide nutritious food for over 11,000 underprivileged children in Singapore, China, Philippines and Thailand.

It funded CapitaMalls Asia's My Schoolbag programme with S$300,000 to provide 11,000 underprivileged children in China and Singapore with basic school supplies and daily necessities.

ENVIRONMENT

Environmental sustainability and occupational health and safety are of paramount importance to CapitaLand. It obtained ISO14000 and OHSAS18000 certifications for its environmental, health and safety (EHS) management system in China, Vietnam, Malaysia and Japan, in addition to the certification achieved previously for Singapore. This makes CapitaLand one of the most extensively certified real estate companies in Asia.

Achieved ISO 14000 and OHSAS 18000 certification for its environmental, health and safety management system in Singapore, China, Vietnam, Malaysia and Japan

Through its Building a Greener Future programme, CapitaLand encourages staff, tenants and the community to play their role in protecting the environment. In conjunction with Earth Hour 2010, a climate change initiative by WWF, CapitaLand turned off the façade lights of around 190 of its properties worldwide for 10 hours.

CapitaLand Green for Hope @ Primary Schools programme is into its third year and continued to receive overwhelming response. With this success, CapitaLand initiated the Green for Hope @ CapitaLand programme to its properties in Singapore. Over 1,368,550kg of recyclable waste was collected, earning a total donation of over S$1.3 million, benefitting the underprivileged students from the 170 participating primary schools and 10 children charities.

COMMUNITY

CapitaLand believes in promoting an understanding of the cultures between Singapore and overseas communities. It was a Supporting Partner of the Singapore Pavilion at the Shanghai World Expo 2010. CapitaLand is the Presenting Sponsor and Conservation Donor of the pair of giant panda cubs Singapore will receive from China by 2012, further strengthening the strong relationship between the two countries.

CORPORATE DIRECTORY

BOARD OF DIRECTORS
Dr Hu Tsu Tau
Chairman

Peter Seah Lim Huat
Deputy Chairman

Liew Mun Leong
President & CEO

in order of date of appointment:

Jackson Peter Tai
Richard Edward Hale
James Koh Cher Siang
Arfat Pannir Selvam
Professor Kenneth Stuart Courtis
Dr Fu Yuning
John Powell Morschel
Ng Kee Choe
Simon Claude Israel

COMPANY SECRETARY
Low Sai Choy

ASSISTANT COMPANY SECRETARY
Ng Chooi Peng

AUDIT COMMITTEE
Richard Edward Hale
(Chairman)
James Koh Cher Siang
Arfat Pannir Selvam

INVESTMENT COMMITTEE
Dr Hu Tsu Tau
(Chairman)
Liew Mun Leong
Jackson Peter Tai
Professor Kenneth Stuart Courtis
Simon Claude Israel
Olivier Lim Tse Ghow

EXECUTIVE RESOURCE AND COMPENSATION COMMITTEE
Peter Seah Lim Huat
(Chairman)
Ng Kee Choe
Simon Claude Israel

NOMINATING COMMITTEE
Peter Seah Lim Huat
(Chairman)
Liew Mun Leong
Arfat Pannir Selvam
John Powell Morschel
Simon Claude Israel

FINANCE AND BUDGET COMMITTEE
Peter Seah Lim Huat
(Chairman)
Liew Mun Leong
Jackson Peter Tai
Professor Kenneth Stuart Courtis
Olivier Lim Tse Ghow

CORPORATE DISCLOSURE COMMITTEE
James Koh Cher Siang
(Chairman)
Liew Mun Leong
Arfat Pannir Selvam

RISK COMMITTEE
James Koh Cher Siang
(Chairman)
Richard Edward Hale
Arfat Pannir Selvam

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#22-00 Hong Leong Building
Singapore 048581
Telephone: +65 6213 2008
Facsimile: +65 6225 4142
(Engagement Partner since financial year ended 31 December 2010: Leong Kok Keong)

PRINCIPAL BANKERS
- Australia and New Zealand Banking Group Limited
- Bank of China
- BNP Paribas
- China Merchant Bank
- CIMB Bank Berhad
- Commonwealth Bank of Australia
- Credit Agricole Corporate and Investment Bank
- DBS Bank Ltd
- Hang Seng Bank Limited
- Industrial and Commercial Bank of China Limited
- Malayan Banking Berhad
- Mizuho Corporate Bank, Ltd.
- National Australia Bank Limited
- Oversea-Chinese Banking Corporation Limited
- Standard Chartered Bank
- Sumitomo Mitsui Banking Corporation
- The Bank of Tokyo–Mitsubishi UFJ, Ltd
- The Hongkong and Shanghai Banking Corporation Limited
- United Overseas Bank Limited
- Westpac Banking Corporation

FINANCIAL CALENDAR

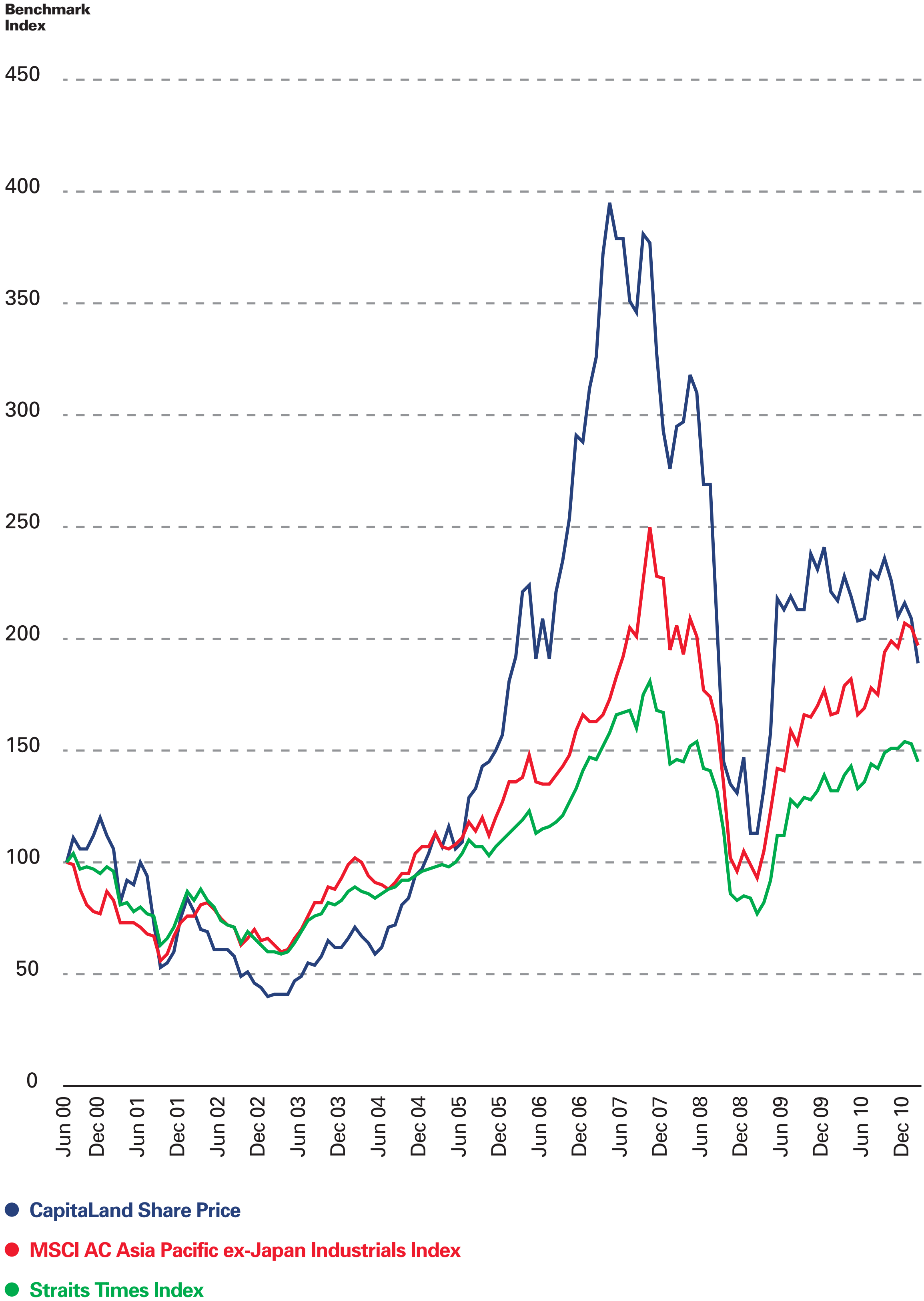
FINANCIAL YEAR ENDED 31 DECEMBER 2010

Announcement of First Quarter Results	16 April 2010
Announcement of Second Quarter Results	4 August 2010
Announcement of Third Quarter Results	29 October 2010
Announcement of Full Year Results	22 February 2011
Annual General Meeting	25 April 2011
Books Closing (Record Date)	5.00 p.m. on 11 May 2011
Books Closure	12 May 2011
Proposed Payment of 2010 Final Dividend	26 May 2011

FINANCIAL YEAR ENDING 31 DECEMBER 2011

Proposed Announcement of First Quarter Results	April 2011
Proposed Announcement of Second Quarter Results	August 2011
Proposed Announcement of Third Quarter Results	October 2011
Proposed Announcement of Full Year Results	February 2012

10-YEAR SHARE PRICE PERFORMANCE



YEAR IN BRIEF

The Paragon, Shanghai, China – one of the projects secured through the OODL acquisition

JANUARY

CapitaLand signed an agreement with Hoang Thanh Investment and Infrastructure Development Joint Stock Company to jointly develop a 14,000-square-metre residential site in Ha Dong District in Mo Lao New Urban Area, Hanoi, Vietnam. The signing ceremony was witnessed by Singapore Prime Minister Lee Hsien Loong and Vietnam Prime Minister Nguyen Tan Dung in Hanoi.

CapitaLand's Urban Suites condominium was launched and saw strong sales. The high-end development in the Cairnhill area in Singapore's prime Orchard Road shopping district has a total of 165 apartments.

CapitaLand held a groundbreaking ceremony for a residential development located in Jinshazhou, in the heart of the Guangzhou-Foshan Metropolis Circle. The project will comprise about 2,800 units.

FEBRUARY

Phase one of Beaufort, a high-end residential project in Beijing, was launched to strong buyer response. When completed, Beaufort will have four residential blocks with about 1,000 high-end apartments.

CapitaLand completed the US$2.2 billion (S$3.1 billion) acquisition of Orient Overseas Developments Limited (OODL). The portfolio comprises seven prime sites in Shanghai, Kunshan and Tianjin.

CapitaMalls Asia acquired Meili project, comprising retail and residential in Chengdu, China for RMB459.9 million (S$94.6 million).

CapitaMalls Asia monetised Clarke Quay, Singapore's premier lifestyle and entertainment precinct, to CapitaMall Trust for S$268.0 million.

MARCH

CapitaMalls Asia acquired Tianfu integrated development, comprising a shopping mall, residential and office towers in Chengdu, China for RMB554.2 million (S$114.0 million).

CapitaMalls Asia opened Anyang Mall in Anyang, China.

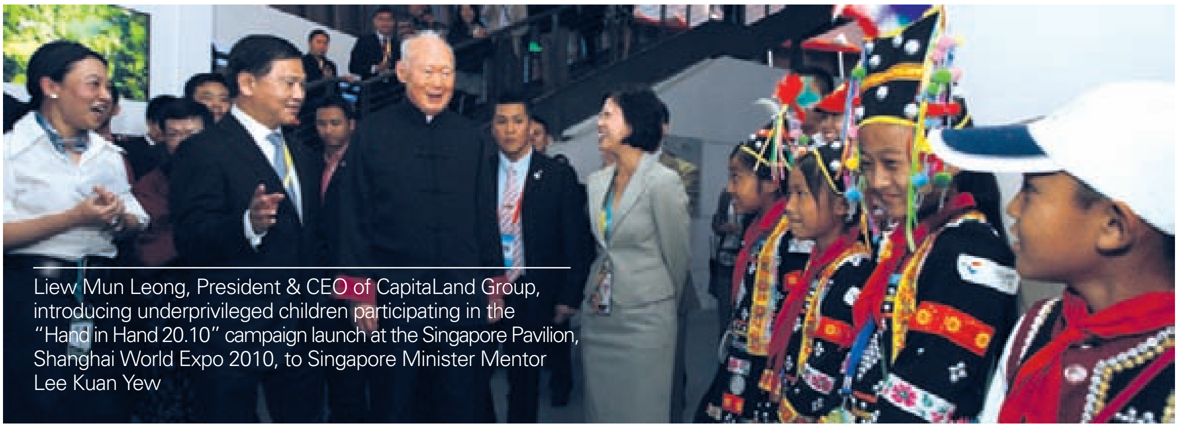
Ascott entered Vietnam's fourth largest city, Danang, through securing a contract to manage the 121-unit Somerset Danang Bay.

APRIL

CapitaLand started phase two sales of The Interlace. Set amidst a natural verdant green belt at the Southern Ridges of Singapore, the 1,040-unit condominium features 31 apartment blocks stacked in a hexagonal arrangement to form eight large-scale courtyards.

The show homes of Rihan Heights, the first phase of Arzanah in Abu Dhabi, were unveiled to the public. Arzanah is a 1.4 million-square-metre integrated development developed by Capitala, a joint venture between CapitaLand and Mubadala Development Company.

YEAR IN BRIEF



Liew Mun Leong, President & CEO of CapitaLand Group, introducing underprivileged children participating in the "Hand in Hand 20.10" campaign launch at the Singapore Pavilion, Shanghai World Expo 2010, to Singapore Minister Mentor Lee Kuan Yew

CapitaMalls Asia opened Cuiwei Mall in Beijing, China.

Raffles City China Fund raised an additional US$180 million (S$252 million) in committed capital, increasing the fund's capital to US$1.18 billion (S$1.65 billion). CapitaLand has a 45.6% effective interest in the fund.

CapitaLand divested Raffles City Ningbo to the Raffles City China Fund for approximately US$125 million (S$175 million), in line with its strategy to hold its Raffles City integrated developments in China through the fund.

MAY

Private previews started for the 64-unit Urban Resort Condominium, located in the Cairnhill area in Singapore's Orchard Road shopping district.

Plans for Raffles City Shenzhen were announced. This is CapitaLand's sixth Raffles City integrated development in China. Located in the commercial district of Shenzhen City's Nanshan District, Raffles City Shenzhen will comprise a Grade A office tower, a shopping mall and a serviced residence.

CapitaLand launched its 'Hand in Hand 20.10' campaign, bringing 2,010 underprivileged children across China, including CapitaLand Hope School students, to visit the Shanghai World Expo 2010. The campaign also marked the 20th anniversary of diplomatic relations between Singapore and China, and CapitaLand's 10th anniversary.

Six Battery Road was the first operating office building in Singapore's Central Business District being conferred the Green Mark Platinum Award by the Building and Construction Authority.

JUNE

CapitaLand and its partners celebrated the topping-out for its first residential project in Vietnam, The Vista, Ho Chi Minh City.

The Metropolis, a condominium located in Kunshan City, west of Shanghai, was launched to good buyer response. The Metropolis is the first project from the OODL portfolio to be released for sale.

CapitaMalls Asia opened Aidemengdun Mall in Harbin, China.

JULY

Ascott opened its first Citadines-branded property in Australia, the 380-unit Citadines on Bourke Melbourne.

The Seafront on Meyer, a 327-unit condominium in Singapore which enjoys panoramic views of the sea and city skyline, achieved Temporary Occupation Permit.

Mr Wong Heang Fine assumed the CEO position at CapitaLand Residential Singapore.

CapitaLand divested its entire 50% stake in Sichuan Zhixin CapitaLand Co., Ltd for a net gain of approximately S$33 million, in line with its ongoing strategy of capital productivity.

CapitaMalls Asia successfully listed CapitaMalls Malaysia Trust (CMMT), Malaysia's largest "pure-play" shopping mall REIT by market capitalisation and property value, on the Main Market of the Bursa Securities, Malaysia.

Ascott entered Bali in Indonesia through securing a contract to manage the 174-unit Citadines Kuta Bali.

CapitaLand invested in a 62% stake in the joint venture with Hersing Corporation Ltd to acquire the StorHub brand and four self-storage properties in Singapore.

AUGUST

Ascott announced its target to achieve 40,000 apartment units globally by 2015 at the opening of the 278-unit Ascott Huai Hai Road Shanghai in China.

Ascott clinched contracts to manage four more properties in China – the 160-unit Ascott Raffles City Ningbo; 151-unit Ascott Raffles City Hangzhou; 178-unit Ascott Suzhou; and 314-unit Ascott Guangzhou IFC.

Ascott announced it would convert the 51-unit Citadines Louvre Paris into Ascott Louvre Paris, the company's first Ascott-branded property in France.

Riverside Ville, located in Chancheng District in Foshan, China, was awarded the Green Mark Award by Singapore's Building and Construction Authority. It is the first project in South China to win the award.

CapitaLand raised S$350 million through a 10-year, Singapore-dollar bond with a coupon rate of 4.3%.

CapitaMalls Asia raised S$350 million through 3.95% unrated fixed rate notes under a S$2 billion Euro-Medium Term Note Programme.

CapitaLand China launched The Pinnacle, a residential development located in the heart of Pudong District, Shanghai.

SEPTEMBER

A joint venture between CapitaLand and CapitaMalls Asia submitted the winning bid for a prime site in Singapore's Bedok Town Centre. The integrated development will comprise approximately 500 condominium units above a shopping mall.

Mr Lim Swee Say, Minister in the Prime Minister's Office of Singapore, officiated the grand opening of Ascott's first property in Chengdu, China – the 200-unit Somerset Riverview Chengdu.

Latitude, a boutique freehold development in Singapore with 127 elegant apartments, achieved Temporary Occupation Permit.

Ascott secured a contract to manage its first Ascott-branded property in Dubai, UAE – the 118-unit Ascott Park Place Dubai.

OCTOBER

Ascott injected 28 quality stabilised assets in Europe and Asia into Ascott Reit with divestment proceeds of S$974 million. This move gave Ascott financial capacity to capture new growth opportunities and has transformed Ascott Reit into a larger and stronger platform which complements Ascott's global growth strategy.

Nearly 200 units built under the first phase of CapitaLand China's The Loft residential project in Chengdu were successfully handed over to buyers.

CapitaLand organised an Investor Day specially for its retail shareholders to celebrate its 10th Anniversary. A total of 1,500 retail investors were present to listen to presentations made by top and senior management.

CapitaValue Homes, a new strategic business unit, was formed to meet the demand for affordable homes in Asia.

CapitaValue Homes entered into a Co-operative Agreement with the Caidian District Government as well as an Investment Framework Agreement with a Chinese state owned enterprise to invest in a site in Wuhan, China, to build more than 2,000 affordable homes.

CapitaValue Homes signed a Conditional Agreement with No Va Land Investment Group Corporation to jointly develop a residential site in District 9, Ho Chi Minh City, Vietnam, to provide approximately 500 affordable homes. The signing ceremony was witnessed by Singapore Prime Minister Lee Hsien Loong and Vietnam Prime Minister Nguyen Tan Dung in Hanoi.

YEAR IN BRIEF

Celebrating CapitaLand's transformation in a decade with the launch of the commemorative book "10 Years: Building People" by CapitaLand senior management at the CapitaLand Investor Day 2010.

NOVEMBER

The five towers of Rihan Heights reached their final heights, and a topping-out ceremony was held to mark this significant construction milestone. The residential project in Abu Dhabi is on schedule to be handed over to homebuyers in 2011.

CapitaLand sold its entire 49% stake in Runwal CapitaLand India Private Limited which owned The Orchard Residency in Mumbai, India, at a cash consideration of INR1.02 billion (approximately S$30 million). The divestment enabled early recycling of capital ahead of the project completion.

CapitaLand established a US$200 million joint venture fund with Mitsubishi Estate Asia and GIC Real Estate to invest in residential developments in Vietnam.

CapitaLand and its partners unveiled d'Leedon, a 1,715-unit condominium on the site of the former Farrer Court. The iconic project in Singapore is designed by internationally-renowned Pritzker Architecture Prize winner Zaha Hadid.

CapitaMalls Asia acquired 66.0% interest in a prime shopping mall and office development in Luwan district, Shanghai, China for RMB3.9 billion (S$747.2 million). The entire development is expected to be completed by 2015.

CapitaMalls Asia opened Xinxiang Mall in Xinxiang, China.

DECEMBER

d'Leedon received strong buyer interest during preview sales to former owners of Farrer Court and an initial launch. The project's seven 36-storey residential towers will offer breathtaking views of Singapore's skyline and large expanses of greenery.

Ascott opened its first Citadines-branded property in Indonesia, the 135-unit Citadines Quartier Jakarta.

CapitaLand entered into four sale and purchase agreements to divest its 163 strata-titled units in The Adelphi for a total consideration of S$218.1 million to recycle capital.

Phase two of Beaufort in Beijing was launched to strong response. Homebuyers had a choice of 220 units, comprising studios, one- and two-bedroom apartments.

CapitaMalls Asia acquired Queensbay Mall in Penang, Malaysia for RM651.8 million (S$272.8 million).

CapitaMalls Asia opened Jinshui Mall in Zhengzhou, China.

CapitaLand China announced plans to build its second Raffles City integrated development in Shanghai. Located in Shanghai's Changning District, near the Hongqiao Transportation Hub, Raffles City Changning will comprise a Grade A office tower and a shopping mall. CapitaLand closed a joint venture fund to develop Raffles City Changning.

CORPORATE GOVERNANCE

REPORT FOR THE PERIOD FROM 1 JANUARY 2010 TO 31 DECEMBER 2010

CapitaLand observes high standards of corporate conduct in line with the Principles of the Code of Corporate Governance 2005 (the "Code"). We believe that each company needs to develop and maintain sound and transparent policies and practices to meet its specific business needs and to provide a solid foundation for a trusted and respected business enterprise. We remain focused on the substance and spirit of the Principles of the Code while achieving operational excellence and delivering the Group's long term strategic objectives.

This Report on our corporate governance practices for financial year 2010 ("Report") describes our application of good governance principles in building a company committed to integrity, excellence and its people. The application is underpinned by sound systems of internal controls and accountability, which help to promote and drive long term sustainable growth and shareholder value.

The following sections covering each of the Principles outline our policies and practices.

(A) BOARD MATTERS

Principle 1: Board's Conduct of Affairs

CapitaLand is led by an effective Board comprising a majority of independent non-executive directors. Each director brings to the Board his skills, experience, insights and sound judgement, which together with strategic networking relationships, serves to further the interests of the Group. At all times, the directors are collectively and individually obliged to act in good faith and consider the best interests of CapitaLand.

The key roles of our Board are to:

- guide the corporate strategy and directions of the Group;
- ensure that Senior Management discharges business leadership and the highest quality of management skills with integrity and enterprise; and
- oversee the proper conduct of the Group's business.

To assist the Board in the discharge of its oversight functions, various Board Committees, namely Audit Committee ("AC"), Corporate Disclosure Committee ("CDC"), Executive Resource and Compensation Committee ("ERCC"), Finance and Budget Committee ("FBC"), Investment Committee ("IC"), Nominating Committee ("NC") and Risk Committee ("RC") have been constituted with clear written Terms of Reference. Other Board Committees may be formed as dictated by business imperatives.

Membership of the various Board Committees is carefully managed to ensure an equitable distribution of responsibility among Board members, to maximise the effectiveness of the Board and to foster active participation and contribution from Board members. Diversity of experience and appropriate skills are considered. CapitaLand has also taken steps to ensure that there are appropriate checks and balances between the different Board Committees. Hence, membership of the FBC and IC being committees which are more involved in key businesses or executive decisions, and membership of the AC with its supervisory role, are mutually exclusive.

The Board meets regularly to review the key activities and business strategies of the Group, at least once every quarter, and as required by business imperatives. The Board deliberates strategic policies of the Group, including significant acquisitions and divestments, approving the annual budget, reviewing the performance of the Group's businesses, and approving the release of the quarterly and full-year results. The AC is delegated the authority by the Board to review such results.

A total of five Board meetings was held in 2010.

A table of the Board members' participation in the various Board Committees is set out on page 92 of this Report. This reflects each Board member's additional responsibilities and special focus in the respective Board Committee.

A table showing the attendance record of directors at Board and Board Committee meetings during the year is set out on page 93 of this Report. We believe in the manifest contribution of our directors beyond attendance at formal Board and Board Committee meetings. CapitaLand's directors are all professionals with diverse experience able to provide effective guidance on the strategic direction of the Group's businesses. To judge a director's contribution based on his attendance at formal meetings alone would not do justice to his overall contribution, which includes being accessible to Management for guidance or exchange of views outside the formal environment of Board meetings.

The Board has adopted a set of internal controls which sets out approval limits for capital expenditure, investments and divestments, bank borrowings and signature of cheques at Board level. Approval sublimits are also provided at Management levels to facilitate operational efficiency.

The IC is chaired by Dr Hu Tsu Tau and comprises Mr Liew Mun Leong, Mr Jackson Peter Tai, Professor Kenneth Stuart Courtis, Mr Simon Claude Israel (appointed on 1 July 2010) and Mr Olivier Lim Tse Ghow, the Group Chief Financial Officer ("Group CFO"). The IC has been delegated the authority by the Board to approve the Group's investments and divestments, participation in tenders and bids and acceptance of credit facilities from financial institutions and banks. Since 2000, the Board had approved the delegation of some of its authority to the Boards and Management Committees of its various strategic business units ("SBU") within strict limits. Apart from convening four formal meetings of the IC in 2010, the views of the IC and Board were actively sought by the SBUs, and the approval of the IC obtained where required.

Changes to regulations and accounting standards are monitored closely by Management. Where regulatory changes have an important bearing on CapitaLand's or directors' disclosure obligations, directors are briefed during Board meetings or at specially-convened sessions conducted by professionals.

Newly appointed directors are given briefings by Management on the business activities of the Group and its strategic directions. Upon appointment, each director is briefed and provided with a formal letter setting out the director's duties and obligations. Directors are expected to exercise independent judgement in the best interests of CapitaLand. Directors are also briefed and provided with relevant information on CapitaLand's policies and procedures relating to corporate conduct and governance including disclosure of interests in securities, prohibitions on dealings in CapitaLand's securities, restrictions on disclosure of price sensitive information and the disclosure of interests relating to certain property transactions.

The directors are provided with opportunities for continuing education in areas such as directors' duties and responsibilities, corporate governance, changes in financial reporting standards, insider trading, changes in the Companies Act and listing rules, and industry-related matters, so as to update them on matters that affect or may enhance their performance as Board or Board Committee members.

Principle 2: Board Composition and Guidance
The Board comprises 12 directors, with 11 non-executive directors.

The non-executive Chairman Dr Hu Tsu Tau brings with him a wealth of experience both in the Singapore Government (as a former Cabinet Minister) and in a major global company (as previous Chairman and Chief Executive of the Shell Group of companies in Singapore). The sole executive director is Mr Liew Mun Leong, who is also the President and Chief Executive Officer ("CEO").

The directors are business leaders and professionals with governmental, financial, banking, tax, trading, real estate, transport and legal backgrounds. Profiles of the directors are provided on pages 18 to 25 of this Report.

This composition of the Board enables Management to benefit from the directors' external, diverse and objective perspective on issues brought before the Board. It also enables the Board to interact and work with Management through a robust exchange of ideas and views to help shape the strategic process. This, together with a clear separation of the role of the Chairman and the CEO, provides a healthy professional relationship between the Board and Management with clarity of roles and facilitates robust deliberations on the business activities of the Group.

The Board has established the NC which makes recommendations to the Board on all Board appointments and determines a director's independence. The NC has determined that 10 of the 11 non-executive directors on the Board were independent in the financial year 2010. Although Professor Kenneth Stuart Courtis received payment of an amount of US$2,016 for services rendered to CapitaLand as Economics Advisor and Mrs Arfat Pannir Selvam received payment of an aggregate amount of S$16,590 for consultancy services rendered to a subsidiary of CapitaLand in the financial year 2010, the NC considers both Professor Courtis and Mrs Selvam as independent directors notwithstanding their relationships with CapitaLand in respect of Guidance Note 2.1(c) of the Code as the amounts paid are not significant and they are able to exercise strong independent judgement in their deliberations in the interests of CapitaLand.

Principle 3: Chairman and Chief Executive Officer
To maintain effective supervision and accountability at each of the Board and Management levels, the positions of Chairman and CEO are held by separate individuals.

The non-executive Chairman, Dr Hu Tsu Tau, is responsible for the Board and acts independently in the best interests of CapitaLand and its shareholders, while the President and CEO, Mr Liew Mun Leong, is responsible for the running of the Group's businesses.

The Chairman ensures that the members of the Board and Management work together with integrity, competency and moral authority, and that the Board constructively engages Management on strategy, business operations, enterprise risk and other plans.

The President and CEO is a Board member and has full executive responsibilities over the business directions and operational decisions of the Group. The President and CEO, in consultation with the Chairman, schedules Board meetings and finalises the preparation of the Board meeting agenda. He ensures the quality and timeliness of the flow of information between Management and the Board. He is also responsible for ensuring that CapitaLand complies with corporate governance guidelines.

Principle 4: Board Membership
Board renewal is a continual process, for good governance and to maintain relevance to the changing needs of the Group's businesses. The President and CEO, as a Board member, is also subject to retirement and re-election by shareholders as part of Board renewal. Election of Board members is the prerogative and right of shareholders.

The NC is chaired by Mr Peter Seah Lim Huat and comprises Mr Liew Mun Leong, Mrs Arfat Pannir Selvam, Mr John Powell Morschel (appointed on 1 January 2011) and Mr Simon Claude Israel (appointed on 1 January 2011).

The majority of the NC members, including the Chairman, are independent non-executive directors.

The NC ensures that the Board and Board Committees in the Group comprise individuals who are best able to discharge their responsibilities as directors having regard to the law and the highest standards of corporate governance. In performing its role, the NC is guided by its Terms of Reference which sets out its responsibilities. In particular, the NC will:

- review and recommend candidates to be CapitaLand's nominees on the Board and Board Committees of listed companies within the Group;
- review and recommend candidates to the Board and Board Committees of holding companies of the SBUs; and
- review CapitaLand's corporate governance practices, having regard to relevant local and international developments in the area of corporate governance (including changes in applicable law, regulations and listing rules), and recommend changes to the Board.

The NC sources for candidates for appointment to the Boards of the Group, in particular, candidates who would be able to add value to Management through contributions of their skills, knowledge and experiences in the relevant strategic business areas.

CapitaLand's Articles of Association require one-third of its directors to retire and subject themselves to re-election ("one-third rotation rule") by shareholders at every Annual General Meeting ("AGM"). In other words, no director stays in office for more than three years without being re-elected by shareholders.

The President and CEO, as a Board member, is also subject to the one-third rotation rule. This separates his role as President and CEO from his position as a Board member, and enables shareholders to exercise their right to select all Board members.

In addition, a new director appointed by the Board will submit himself for retirement and re-election at the AGM immediately following his appointment. Thereafter, he is subject to the one-third rotation rule.

Directors who are above the age of 70 are also statutorily required to seek re-appointment at each AGM.

The NC ensures that although some of our directors sit on the boards of various companies, they devote sufficient time and attention to the affairs of CapitaLand.

Principle 5: Board Performance
We believe that Board performance is ultimately reflected in the long term performance of the Group.

The financial indicators, set out in the Code as guides for the evaluation of the Board and its directors, are in our opinion more of a measurement of Management's performance and therefore less applicable to directors. In any case, such financial indicators provide a snapshot of a company's performance, and do not fully measure the sustainable long term wealth and value creation of CapitaLand.

A more important consideration is that the Board, through the NC, had ensured from the outset the requisite blend of background, experience and knowledge in technology, business, finance and management skills critical to the Group's businesses. It has from the outset ensured that each director with his special contribution brings to the Board an independent and objective perspective to enable balanced and well-considered decisions to be made.

The NC has beginning 2011 initiated processes for formal Board assessment to be carried out by an external consultant.

Renewal or replacement of Board members do not necessarily reflect their contributions to date, but may be driven by the need to position and shape the Board in line with the medium term needs of CapitaLand and its business.

Principle 6: Access to Information

We believe that the Board should be provided with timely and complete information prior to Board meetings, and as and when the need arises. As a general rule, Board papers are sent to Board members at least seven days before the Board meeting so that the members may better understand the matters prior to the Board meeting and discussion may be focused on questions that the members may have. However, sensitive matters may be tabled at the meeting itself or discussed without any papers being distributed. New Board members are fully briefed on the businesses of the Group.

Management provides adequate and timely information to the Board on Board affairs and issues requiring the Board's decision. It also provides ongoing reports relating to operational and financial performance of CapitaLand, such as monthly management financial reports. The Articles of Association of CapitaLand provide for directors to convene meetings by teleconferencing or videoconferencing. Where a physical Board meeting is not possible, timely communication with members of the Board is effected through electronic means which include electronic mail, teleconferencing and videoconferencing. Alternatively, Management will brief directors in advance before seeking the Board's approval.

The Board has access to Senior Management and the Company Secretary at all times. The Company Secretary attends to corporate secretarial administration matters and is the corporate governance advisor on corporate matters to the Board and Senior Management. The Company Secretary attends Board meetings. The appointment and removal of the Company Secretary are subject to the approval of the Board. The Board also has access to independent professional advice where appropriate.

Board meetings for each year are scheduled in advance in the preceding year to facilitate directors' individual administrative arrangements in respect of competing commitments.

The AC also meets the external and internal auditors separately at least once a year, without the presence of the President and CEO and the Senior Management, in order to have unfettered access to information that it may require.

(B) REMUNERATION MATTERS

Principle 7: Procedures for Developing Remuneration Policies
Principle 8: Level and Mix of Remuneration
Principle 9: Disclosure on Remuneration

We believe that a framework of remuneration for the Board and key executives should not be taken in isolation. It should be linked to the building of management bench strength and the development of key executives. This is to ensure continual development of talent and renewal of strong and sound leadership for a sustainable business and a lasting Company. CapitaLand's ERCC plays a crucial role in helping to ensure that we are able to attract, recruit and retain the best talents to drive the Group's businesses forward.

The ERCC is chaired by Mr Peter Seah Lim Huat and comprises Mr Ng Kee Choe and Mr Simon Claude Israel.

The majority of the ERCC members, including the Chairman, are independent non-executive directors. Outside members may be co-opted into the ERCC to provide a global perspective of talent management and remuneration practices.

The ERCC oversees executive compensation and development in CapitaLand. The ERCC is guided by its Terms of Reference. Specifically, the ERCC will:

- approve the remuneration framework for non-executive directors;
- establish compensation policies for key executives;
- approve salary reviews, bonus and incentives for key executives;
- approve share incentives and share ownership for executives;
- approve key appointments and review succession plans for key positions; and
- oversee the development of key executives and younger talented executives.

The aim of the ERCC is to build capable and committed management teams, through competitive compensation, focused management, and progressive policies which can attract, motivate and retain a pool of talented executives to meet the current and future growth of CapitaLand.

The ERCC conducts, on an annual basis, a succession planning review of the President and CEO and selected key positions in CapitaLand. Potential internal and external candidates for succession are reviewed in the light of immediate, medium term and longer term needs and readiness.

The ERCC has access to expert professional advice on human resource matters whenever there is a need to consult externally. In its deliberations, the ERCC takes into consideration industry practices and norms in compensation. The President and CEO is not present during the discussions relating to his own compensation and terms and conditions of service, and the review of his performance. The President and CEO will be in attendance when the ERCC discusses policies and compensation of his senior team and key staff. This includes major compensation and incentive policies such as contingent share awards, bonus, staff salary review and other incentive schemes. One ERCC meeting was held in 2010.

Non-executive directors have remuneration packages consisting of directors' fees, attendance fees and share awards. The directors' fee policy is based on a scale of fees divided into basic retainer fees as director and additional fees for attendance and serving on Board Committees. Details of the breakdown are provided in the Other Information section of this Report ("Other Information") on page 102. Directors' fees for non-executive directors are subject to the approval of shareholders at the AGM.

The basis of allocation of the number of share awards takes into account a director's additional responsibilities at Board Committees.

The President and CEO as executive director does not receive director's fees. He is the lead member of Management. His compensation consists of his salary, allowances, bonuses and contingent share awards. The latter is conditional upon him and CapitaLand meeting certain performance targets. The details of his compensation package are provided in the Other Information on page 102.

Key executives' compensation consists of salary, allowances, bonuses and contingent share awards. The latter is conditional upon meeting certain performance targets. A significant proportion of executives' remuneration is linked to company and individual performance in the form of share based and Economic Value Added based compensation. The Code requires a company to disclose the names of at least the top five key executives of the company. CapitaLand considers members of the Office of the President as its key executives. Currently, apart from the President and CEO who is the executive director, the other four members of the Office of the President are CapitaLand Chief Corporate Officer Ms Jennie Chua Kheng Yeng, CapitaLand Chief Investment Officer Mr Wen Khai Meng, CapitaLand Group CFO Mr Olivier Lim Tse Ghow and The Ascott Limited CEO Mr Lim Ming Yan. Their remuneration in bands of S$250,000 are provided in the Other Information on page 102.

No employee of CapitaLand and its subsidiaries is an immediate family member of a director or the President and CEO and whose remuneration exceeds S$150,000 during the financial year 2010. "Immediate family member" means the spouse, child, adopted child, step-child, sibling and parent.

A separate remuneration report is not prepared as most of the information is found in the Other Information on page 102.

Share awards which were made in 2010 were based on the CapitaLand Performance Share Plan and the CapitaLand Restricted Stock Plan (the "Existing Share Plans") approved and adopted by shareholders of the Company at an Extraordinary General Meeting held on 16 November 2000.

At the Extraordinary General Meeting of the Company held on 16 April 2010, the shareholders approved the adoption of a new CapitaLand Performance Share Plan 2010 and a new CapitaLand Restricted Share Plan 2010 (the "New Share Plans"). Upon the adoption of the New Share Plans, the Existing Share Plans were terminated without prejudice to the rights of holders of outstanding options and awards. The New Share Plans carry the same terms as the Existing Share Plans except that the maximum size of the shares to be awarded has been reduced to 8% over the 10-year life of the New Share Plans (compared to 15% for the Existing Share Plans).

Details of the Existing Share Plans and New Share Plans as well as awards granted under the Existing Share Plans are given in the Share Plans section of the Directors' Report from pages 110 to 115.

(C) ACCOUNTABILITY AND AUDIT

Principle 10: Accountability

CapitaLand believes in conducting itself in ways that deliver maximum sustainable value to its shareholders. CapitaLand promotes best practices as a means to build an excellent business for its shareholders and is accountable to shareholders for its performance.

At CapitaLand, the separation of the roles of the Chairman and the President and CEO, and the holding of such appointments by separate individuals, ensure effective supervision of Management and maintenance of accountability of the Board to the shareholders, and of Management to the Board.

Prompt fulfilment of statutory reporting requirements is but one way to maintain shareholders' confidence and trust in the capability and integrity of CapitaLand.

CapitaLand was the first listed real estate group in Singapore to implement quarterly reporting before it became a requirement by the Singapore Exchange Securities Trading Limited ("SGX-ST"). This shows CapitaLand's corporate intent to discharge its continuing obligation of prompt and thorough disclosures as practised by international standards, in view of the global reach of its businesses and shareholder base.

Principle 11: Audit Committee
CapitaLand's internal policy requires the AC to have at least three members, all of whom are non-executive and the majority must be independent.

The AC is chaired by Mr Richard Edward Hale and comprises Mr James Koh Cher Siang and Mrs Arfat Pannir Selvam. All the members of the AC, including the Chairman, are independent non-executive directors. The members bring with them invaluable managerial and professional expertise in the financial, tax and legal domains.

The AC is guided by Terms of Reference which defines its scope of authority. These Terms include review of the annual audit plan, adequacy of the internal audit process, results of audit findings and Management's response, adequacy and effectiveness of internal controls, Interested Person Transactions, framework and processes established for the implementation of the terms of the collaboration agreement between CapitaLand and CapitaMalls Asia Limited, the processes for the management of material conflicts of interest within the Group and also the resolution of all conflicts of interest matters referred to the AC.

The AC reviews quarterly and full-year results and the appointment and re-appointment of auditors before recommending them to the Board for approval. The AC also approves the compensation of the external auditors, as well as considers the nature and extent of non-audit services and their potential impact on the independence and objectivity of the external auditors.

The AC also reviews arrangements by which employees of CapitaLand may, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters. Pursuant to this, the AC has introduced a Whistle Blowing Policy where staff may raise improprieties to the Chairman, with the confidence that, in good faith, the staff making such reports will be treated fairly and be protected from reprisal. The AC confirms that no reports have been received under the Whistle Blowing Policy thus far.

A total of four AC meetings was held in 2010. The AC also held one meeting with the external auditors and internal auditors, without Management's presence, to discuss the reasonableness of the financial reporting process, the system of internal control, and the significant comments and recommendations by the auditors.

Principle 12: Internal Controls
Principle 13: Internal Audit
CapitaLand believes that it has in place a system of internal controls to safeguard shareholders' interests and the Group's assets, and also to manage risks.

The AC's responsibilities in the Group's internal controls are complemented by the work of the FBC and the RC.

The FBC is chaired by Mr Peter Seah Lim Huat and comprises Mr Liew Mun Leong, Mr Jackson Peter Tai, Professor Kenneth Stuart Courtis and Mr Olivier Lim Tse Ghow, the Group CFO. The FBC reviews the annual budget and financial policies of the Group.

A total of two FBC meetings was held in 2010 to review the financial forecasts and the annual financial plan of the Group. Major business events, initiatives, strategies and areas of concern were also discussed at the meetings. In addition, the FBC reviews and approves updates to the CapitaLand Group Finance Manual.

The RC was formed in September 2002 as part of CapitaLand's efforts to strengthen its risk management processes and framework. The RC is chaired by Mr James Koh Cher Siang and comprises Mr Richard Edward Hale and Mrs Arfat Pannir Selvam. A total of four RC meetings was held in 2010.

The RC's role is to:

- review the adequacy of CapitaLand's risk management process;
- review and approve in broad terms, the risk guidelines and limits. These include country concentration limits and risk-adjusted country hurdle rates for the Group and the SBUs, which are reviewed annually; and
- review CapitaLand's risk portfolio and risk levels, as assisted by the CapitaLand Corporate Risk Assessment Group, which scrutinises the risk profile of every major project which is proposed and is responsible for compiling the Group Quarterly Risk Report. Included in the report is a monitoring of the utilisation of approved country and treasury limits of the Group.

Based on the review of these Board Committees, the Board, through the AC, is satisfied that there are adequate internal controls in place within the Group.

The Group has an Internal Audit Department ("CL IA") which reports directly to the Chairman of the AC and administratively to the Group CFO. CL IA plans its internal audit schedules in consultation with, but independently of, Management and its plan is submitted to the AC for approval at the beginning of each year. The AC also meets with CL IA at least once a year without the presence of Management.

CL IA is a corporate member of the Singapore branch of the Institute of Internal Auditors Inc. ("IIA"), which has its headquarters in the USA. CL IA subscribes to, and is guided by, the Standards for the Professional Practice of Internal Auditing ("Standards") developed by the IIA and has incorporated these Standards into its audit practices.

The Standards set by the IIA cover requirements on:

- Independence;
- Professional Proficiency;
- Scope of Work;
- Performance of Audit Work; and
- Management of the Internal Auditing Department.

CL IA staff involved in Information Technology ("IT") audits are Certified Information System Auditors and members of the Information System Audit and Control Association ("ISACA") in the USA. The ISACA Information System Auditing Standards provide guidance on the standards and procedures to be applied in IT audits.

To ensure that the internal audits are performed by competent professionals, CL IA recruits and employs suitably qualified staff. In order that their technical knowledge remains current and relevant, CL IA identifies and provides training and development opportunities to these staff.

(D) COMMUNICATION WITH SHAREHOLDERS

Principle 14: Communication with Shareholders

Principle 15: Greater Shareholder Participation

CapitaLand's Investor Relations and Corporate Communications departments facilitate effective communication with CapitaLand's shareholders, analysts, fund managers and the media.

CapitaLand's results for the first three quarters and full-year for financial year 2010 were all released on a timely basis, within 35 days of the end of the relevant quarter and 55 days of the end of the full year.

CapitaLand has also formed the CDC which is chaired by Mr James Koh Cher Siang and comprises Mr Liew Mun Leong and Mrs Arfat Pannir Selvam. The CDC reviews the promptness and comprehensiveness of corporate disclosure issues and announcements made to the SGX-ST, and ensures the adoption of good corporate governance and best practices in terms of transparency to shareholders and the investing community. The views and approvals of the CDC were sought throughout the year on various announcements and news releases issued by CapitaLand.

CapitaLand continues to keep stakeholders and analysts informed of its corporate activities in Singapore and around the world on a timely and consistent basis. CapitaLand makes disclosures on an immediate basis as required under the Listing Manual of the SGX-ST, or as soon as possible where immediate disclosure is not practicable. Regular briefings and meetings for analysts and the media are held, generally coinciding with the release of the Group's second quarter and full-year results. During these briefings, Senior Management reviews the Group's most recent performance and discusses CapitaLand's outlook. In the interest of transparency and broad dissemination, these briefings are webcast live and accessible to the public on the Group's website at www.capitaland.com. Materials used in the briefings are also disseminated via SGXNET. Recordings of the briefings are archived on the website.

In 2010, Senior Management conducted about 700 meetings with institutional investors. Management also participated in investor conferences in London, Paris, Amsterdam, Edinburgh, New York, Boston, Denver, San Francisco, Frankfurt, Hong Kong, Tokyo and Beijing besides Singapore. In addition, CapitaLand pursues opportunities to keep its retail shareholders informed through the business media, website postings and other publicity channels. In 2010, as part of continual efforts to maintain a high level of investor access, a CapitaLand Investor Day was organised. Senior Management presented the Group's activities and strategies to 1,500 retail shareholders who attended the event.

CapitaLand supports the Code's principle to encourage shareholder participation. Shareholders receive the summary financial report and notice of the AGM. Notice of the AGM is also advertised in the press and issued via SGXNET. At the AGM and immediately thereafter, shareholders have the opportunity to communicate their views and discuss with the Board and Management matters affecting CapitaLand. The respective Chairpersons of the AC, NC and ERCC, and the external auditors, would usually be present at the AGM. Voting in absentia and by email may only be possible following careful study to ensure that the integrity of the information and authentication of the identity of shareholders through the web are not compromised and legislative changes are effected to recognise electronic voting.

In 2010, CapitaLand was the winner of the Most Transparent Company (Property Category) in the Securities Investors Association (Singapore) (SIAS) Investors' Choice Awards for the tenth consecutive year. In addition, CapitaLand was named "Best Overall Managed Property Company in Asia" in Euromoney Best Managed and Governed Companies – Asia Poll 2010, "Best Overall for Corporate Governance" and "Best for Disclosure and Transparency" in Asiamoney's Corporate Governance Poll 2010 and "Best Disclosure Procedure in Asia Pacific" by World Finance in its Investor Relations Awards 2010. CapitaLand is also a signatory of the Statement of Support Towards Excellence in Corporate Governance, initiated by SIAS in conjunction with the inaugural Singapore Corporate Governance Week 2010.

DEALINGS IN SECURITIES

Taking into consideration the SGX-ST Best Practices Guide, CapitaLand has issued guidelines to directors and employees in the Group prohibiting dealings in CapitaLand's securities (i) while in possession of material unpublished price-sensitive information, (ii) during two weeks before the release of CapitaLand's results for the first three quarters and (iii) one month before the release of CapitaLand's full-year results.

Directors and employees are also prohibited from dealing in securities of other listed companies in the Group while in possession of unpublished price-sensitive information by virtue of their status as directors and/or employees. They are also made aware of the applicability of the insider trading laws at all times.

CORPORATE GOVERNANCE

REPORT FOR THE PERIOD FROM 1 JANUARY 2010 TO 31 DECEMBER 2010

COMPOSITION OF BOARD AND BOARD COMMITTEES

Board Members	Audit Committee	Investment Committee	Executive Resource and Compensation Committee	Nominating Committee	Finance and Budget Committee	Corporate Disclosure Committee	Risk Committee
Dr Hu Tsu Tau		C					
Peter Seah Lim Huat [1]			C	C	C		
Liew Mun Leong		M		M	M	M	
Lim Chin Beng [2]			C	C			
Jackson Peter Tai		M			M		
Richard Edward Hale	C						M
Dr Victor Fung Kwok King [3]							
James Koh Cher Siang	M					C	C
Arfat Pannir Selvam	M			M		M	M
Professor Kenneth Stuart Courtis		M			M		
Dr Fu Yuning							
John Powell Morschel [4]				M			
Ng Kee Choe [5]			M				
Simon Claude Israel [6]		M	M	M			
Non-Board Member							
Olivier Lim Tse Ghow		M			M		

Denotes: C – Chairman M – Member

Notes:

1 Appointed as Chairman of Executive Resource and Compensation Committee and Chairman of Nominating Committee on 16 April 2010.
2 Retired as Director, Chairman of Executive Resource and Compensation Committee and Chairman of Nominating Committee on 16 April 2010.
3 Retired as Director on 16 April 2010.
4 Appointed as Director on 1 February 2010. Appointed as Member of Nominating Committee on 1 January 2011.
5 Appointed as Director and Member of Executive Resource and Compensation Committee on 16 April 2010.
6 Appointed as Director, Member of Executive Resource and Compensation Committee and Member of Investment Committee on 1 July 2010. Appointed as Member of Nominating Committee on 1 January 2011.

ATTENDANCE RECORD OF MEETINGS OF THE BOARD AND BOARD COMMITTEES IN 2010

	Board	Audit Committee	Investment Committee	Executive Resource and Compensation Committee	Finance and Budget Committee	Risk Committee
No. of Meetings Held	5	4	4	1	2	4
Board Members						
Dr Hu Tsu Tau	5		4			
Peter Seah Lim Huat	5			1	2	
Liew Mun Leong	5		4		2	
Lim Chin Beng [1]	1			1		
Jackson Peter Tai	5		4		2	
Richard Edward Hale	5	4				4
Dr Victor Fung Kwok King [2]	1					
James Koh Cher Siang	5	4				4
Arfat Pannir Selvam	5	4				4
Professor Kenneth Stuart Courtis	5		3		2	
Dr Fu Yuning	1					
John Powell Morschel [3]	4					
Ng Kee Choe [4]	3					
Simon Claude Israel [5]	2		3			
Non-Board Member						
Olivier Lim Tse Ghow			4		2	

Notes:

1. *Retired as Director, Chairman of Executive Resource and Compensation Committee and Chairman of Nominating Committee on 16 April 2010.*
2. *Retired as Director on 16 April 2010.*
3. *Appointed as Director on 1 February 2010. Appointed as Member of Nominating Committee on 1 January 2011.*
4. *Appointed as Director and Member of Executive Resource and Compensation Committee on 16 April 2010.*
5. *Appointed as Director, Member of Executive Resource and Compensation Committee and Member of Investment Committee on 1 July 2010. Appointed as Member of Nominating Committee on 1 January 2011.*

RISK ASSESSMENT AND MANAGEMENT

At the core of CapitaLand's risk management strategy is an unwavering commitment to enhance shareholders' value by optimizing the risk-return relationship. It is a dynamic and constantly adapting approach that is both innovative and responsive to market changes. Risk assessment and management is an integral part of the strategic and operational decision-making process at all levels of the CapitaLand Group.

Since the formation of CapitaLand in 2000, a comprehensive risk management framework has been formalised across the Group

Since the formation of CapitaLand in 2000, a comprehensive risk management framework has been formalised across the Group. In 2002, a Risk Committee comprising independent board directors was formed as part of CapitaLand's efforts to strengthen its risk management processes and framework.

The Risk Committee currently comprises Mr James Koh Cher Siang (Chairman), Mr Richard Edward Hale and Mrs Arfat Pannir Selvam. The Group's President and CEO Mr Liew Mun Leong and other senior management regularly attend Risk Committee meetings. The Risk Committee is assisted by the Risk Assessment Group (RAG), an independent in-house unit with members having diverse and vast experience in financial and operational risk management.

Harnessing in-house and external expertise, RAG has pioneered a real estate industry specific Value-at-Risk (VaR) model that has been adapted from the banking industry

Harnessing in-house and external expertise, RAG has pioneered a real estate industry specific Value-at-Risk (VaR) model that has been adapted from the banking industry. Every quarter, RAG uses this model as a foundation in generating a comprehensive group-wide portfolio risk report, measuring and highlighting relevant risks and exposures vis-à-vis the Group's financial risk capacity (as determined by the Risk Committee) and prevailing market conditions. This state-of-the-art model measures the relative and absolute riskiness of the Group's exposures using a historical simulation method while simultaneously incorporating relevant timely market parameters. Clearly demonstrating RAG's adaptability, RAG adjusted the model during the year by adapting it to the changing business environment that CapitaLand operates in. One new risk measurement developed was the interest cost at risk stress simulation method. This new technique measures the potential rise in interest cost for a given debt portfolio in view of the prevailing low interest rate environment.

Learning from the failures of established risk management methodologies during the last financial crisis, it should be noted that CapitaLand's risk management approach is not only quantitative but also has a strong qualitative and integrative business approach. RAG proactively scans the wider business, economic, social and political environment for short-, mid- and long-term risk trends and identifies key risk elements promptly. RAG has been known to be boldly contrarian in its risk approach when the market situation calls for it and has proven to be astute in its observation and in-depth analysis of risk trends for key markets like China and Vietnam. Such findings are presented to the Risk Committee and to senior management in special-focus reports and are useful in substantiating and supporting business strategies from a risk-balanced perspective.

CapitaLand's risk management approach is not only quantitative but also has a strong qualitative and integrative business approach

CapitaLand maintains a prudent risk profile by counterchecking business initiatives with RAG and by striking a balance for investments in a mix of stable assets and development properties. Unique risk management models, developed in-house, enable the Group to engage in a "disciplined aggression" investment strategy while synthesizing valuable information from both primary and secondary sources. RAG has established a risk-based country asset allocation system to manage country transfer risk effectively and avoid concentration risk. This uses a multi-faceted and risk-adjusted methodology based on CapitaLand's investment strategy, sovereign risk ratings by international rating agencies and macroeconomic consensus views from the Group's in-house Economics and Research Units, among others.

RAG performs independent risk evaluations of investment proposals by the Group's business units above a stipulated investment value threshold. Where applicable, RAG makes recommendations to improve the structure of investment proposals to mitigate risks and optimise the risk-return profile. RAG is instrumental in calculating the risk-adjusted weighted average cost of capital and target returns according to their respective risk profiles for the various countries and business units that the Group is active in. This is to ensure that for every investment undertaken, the potential returns must commensurate with the risks undertaken so as to create incremental value for shareholders on a risk-adjusted basis.

For every investment undertaken, the potential returns must commensurate with the risks undertaken so as to create incremental value for shareholders on a risk-adjusted basis

As CapitaLand steps into its next 10 years, it will continue to challenge and adjust its risk management systems and methodologies in a timely manner so as to manage risks proactively, preserve capital and ultimately enhance shareholders' value. The Group's key risk management principle remains its objective of optimising risk dynamically as business strategies are implemented in a fast-changing environment.

STAKEHOLDER COMMUNICATIONS

In 2010, CapitaLand met with about 670 investors globally and participated in investor conferences and roadshows in Singapore, Beijing, Hong Kong, Shanghai, London, New York

CapitaLand communicates regularly with shareholders, investors, analysts and the media to ensure all stakeholders are informed of its activities on a timely and consistent basis.

The Group maintains a high level of investor access through face-to-face meetings, teleconferences, investor conferences, roadshows and site visits. In 2010, CapitaLand met with about 670 investors globally and participated in investor conferences and roadshows in Singapore, Beijing, Hong Kong, Shanghai, London, New York. Site familiarisation tours were also organised for analysts and investors to CapitaLand's projects across Asia. Formal and informal networking events were organised for investors and analysts to engage and interact with senior management. Aside from institutional investors, CapitaLand has also been committing time and resources to cater to retail investors. To celebrate its 10th Anniversary, CapitaLand organised an Investor Day specially for its retail shareholders. A total of 1,500 retail investors were present to listen to presentations made by top and senior management.

CapitaLand engages the media and the investment community through news releases, media and analyst briefings, and familiarisation trips. The Group's Investor Relations website provides comprehensive company information such as news releases, legal announcements, financial results and annual reports, and includes features like push mail and RSS feeds which provide real-time updates. All news releases and legal announcements are also available on the Singapore Exchange website.

At the half-year and full-year financial results briefings, top management briefed the media and analysts on CapitaLand's performance. During the year, top management were interviewed by key Singapore and international media on issues including the Group's growth strategy, acquisition of Orient Overseas Developments Limited, and investment in human capital.

In 2010, key media from Chengdu, Guangzhou, Shanghai and Hangzhou in China visited Singapore and gained insight into CapitaLand's properties and operations

CapitaLand continues to engage the media in the various countries it operates in. In 2010, key media from Chengdu, Guangzhou, Shanghai and Hangzhou in China visited Singapore and gained insight into CapitaLand's properties and operations. Ahead of CapitaMalls Malaysia Trust (CMMT)'s listing, key Malaysian media visited CapitaLand's malls in Singapore while Singapore media were given a familiarisation tour of CMMT's malls in Malaysia. Singapore media also attended and interviewed top management at the official opening of Ascott Huai Hai Road in Shanghai, China, and the topping-out of The Vista condominium in Ho Chi Minh City in Vietnam. In addition, they learnt more about CapitaLand's plans for an integrated residential-retail development at Bedok Town Centre during a visit to the newly-acquired site.

The Group's stakeholder communication efforts have been recognized by the investment community. In 2010, CapitaLand won multiple awards, including "Most Transparent Company (Property)" award from SIAS, "Overall Best Company in Singapore for Corporate Governance" by Asiamoney's Corporate Governance Poll 2010, as well as the "Best Overall Investor Relations (Large Cap)" by IR Magazine SEA Awards.

CapitaLand has won multiple awards, including "Overall Best Company in Singapore for Corporate Governance" award by Asiamoney's Corporate Governance Poll for the second year running.

2010 AWARDS (LISTING)

- **ASIAMONEY CORPORATE GOVERNANCE POLL 2010**

  OVERALL BEST COMPANY IN SINGAPORE FOR CORPORATE GOVERNANCE (2nd consecutive year)

  BEST IRO IN SINGAPORE

- **SECURITIES INVESTORS ASSOCIATION SINGAPORE (SIAS)**

  MOST TRANSPARENT COMPANY (PROPERTY CATEGORY) – 10th CONSECUTIVE YEAR

- **IR MAGAZINE SEA AWARDS**

  GRAND PRIX FOR BEST OVERALL INVESTOR RELATIONS (LARGE CAP)

  OLIVIER LIM – BEST INVESTOR RELATIONS BY A CFO

- **WORLD FINANCE**

  BEST FINANCIAL DISCLOSURE PROCEDURE IN ASIA PACIFIC

- **THE ASSET**

  OLIVIER LIM – CFO OF THE YEAR

- **FINANCE ASIA**

  BEST CFO (SINGAPORE) – 2nd

2010 INVESTOR RELATIONS CALENDAR

1st QUARTER

- Daiwa Investment Conference
- FY2009 Financial results briefing to media and analysts and live webcast
- Credit Suisse Asian Investment Conference

2nd QUARTER

- Annual General Meeting
- Release of 1Q2010 financial results
- OSK/DMG's Spore Property Corporate Day
- Citi Asia Pacific Property Conference
- DB Access Asia Conference
- CLSA Corporate Access
- 7th Nomura Asia Equity Forum
- Nomura Non-Deal Roadshow
- Goldman Sachs Non-Deal Roadshow
- JP Morgan Asia Pacific Equity Conference
- DBS Vickers Pulse of Asia Conference

3rd QUARTER

- 1H2010 financial results briefing to media and analysts and live webcast
- CLSA Investors' Forum

4th QUARTER

- Exane Asian Convertible Bonds Conference
- Morgan Stanley Asia Pacific Summit
- KBC Convertible Bonds Conference
- Macquarie Global Property Series
- UBS Non-Deal Roadshow

ECONOMIC VALUE ADDED STATEMENTS

	Note	2010 S$ million	2009 S$ million
Net Operating Profit Before Tax		**1,115.2**	825.9
Adjust for:			
Share of results of associates and joint ventures		**820.8**	269.2
Interest expense		**458.8**	466.6
Others		**123.8**	268.7
Adjusted Profit Before Interest and Tax		**2,518.6**	1,830.4
Cash operating taxes	1	**(274.0)**	(134.7)
Net Operating Profit After Tax (NOPAT)		**2,244.6**	1,695.7
Average capital employed	2	**26,751.4**	22,747.3
Weighted average cost of capital (%)	3	**6.400**	6.887
Capital Charge (CC)		**1,712.1**	1,566.6
Economic Value Added (EVA) [NOPAT - CC]		**532.5**	129.1
Non-controlling interests		**(99.7)**	206.8
Group EVA attributable to Owners of the Company		**432.8**	335.9

Note 1: The reported current tax is adjusted for the statutory tax impact of interest expense.

Note 2: Monthly average capital employed included equity, interest-bearing liabilities, timing provision, cumulative goodwill and present value of operating leases.

Major Capital Components	***S$ million***
Borrowings	*10,175.0*
Equity	*16,067.8*
Others	*508.6*
Total	*26,751.4*

Note 3 : The weighted average cost of capital is calculated as follows:

i) Cost of Equity using Capital Asset Pricing Model with market risk premium at 5.0% (2009: 5.0%) per annum;

ii) Risk-free rate of 2.59% (2009: 2.55%) per annum based on yield-to-maturity of Singapore Government 10-year Bonds;

iii) Ungeared beta ranging from 0.64 to 1.09 (2009: 0.51 to 1.06) based on the risk categorisation of CapitaLand's strategic business units; and

iv) Cost of Debt rate at 4.22% (2009: 4.30%) per annum using 5-year Singapore Dollar Swap Offer rate plus 187.5 basis points (2009: 187.5 basis points).

VALUE ADDED STATEMENTS

	2010 S$ million	2009 S$ million
Value Added From:		
Revenue earned	**3,382.7**	2,957.4
Less: Bought in materials and services	**(1,937.1)**	(1,731.4)
Gross Value Added	**1,445.6**	1,226.0
Share of results of associates and joint ventures	**820.9**	269.2
Exchange (losses)/gains (net)	**(27.5)**	23.0
Other operating income (net)	**734.9**	566.7
	1,528.3	858.9
Total Value Added	**2,973.9**	2,084.9
Distribution:		
To employees in wages, salaries and benefits	**475.3**	421.2
To government in taxes and levies	**314.6**	146.3
To providers of capital in:		
- Net interest on borrowings	**433.8**	430.3
- Dividends to shareholders	**447.4**	297.2
	1,671.1	1,295.0
Balance Retained in the Business:		
Depreciation and amortisation	**59.6**	63.0
Revenue reserves net of dividends to owners of the Company	**825.8**	755.8
Non-controlling interests	**397.0**	(44.3)
	1,282.4	774.5
Non-Production Costs:		
Allowance for doubtful receivables	**6.4**	15.4
Fidelity losses arising from financial irregularities	**14.0**	–
Total Distribution	**2,973.9**	2,084.9
Productivity Analysis:		
Value added per employee (S$'000) #	**223**	192
Value added per dollar of employment cost (S$)	**3.04**	2.91
Value added per dollar sales (S$)	**0.43**	0.41

Based on average 2010 headcount of 6,482 (2009: 6,399).

SHAREHOLDING STATISTICS

AS AT 28 FEBRUARY 2011

SHARE CAPITAL FULLY PAID

S$6,323,369,888.27 (comprising 4,262,936,446 fully paid Ordinary Shares; voting rights: one vote per share)

TWENTY LARGEST SHAREHOLDERS

As shown in the Register of Members and Depository Register

	Name	No. of Shares	%
1	Temasek Holdings (Private) Limited	1,680,704,140	39.43
2	Citibank Nominees Singapore Pte Ltd	699,434,089	16.41
3	DBS Nominees (Private) Limited	456,128,294	10.70
4	DBSN Services Pte. Ltd.	260,454,908	6.11
5	HSBC (Singapore) Nominees Pte Ltd	205,760,169	4.83
6	United Overseas Bank Nominees (Private) Limited	129,761,010	3.04
7	Raffles Nominees (Pte.) Limited	40,829,118	0.96
8	BNP Paribas Securities Services Singapore Branch	34,850,789	0.82
9	DB Nominees (Singapore) Pte Ltd	21,481,235	0.50
10	UOB Kay Hian Private Limited	15,750,703	0.37
11	OCBC Nominees Singapore Private Limited	12,539,247	0.29
12	Phillip Securities Pte Ltd	12,127,980	0.28
13	Pei Hwa Foundation Limited	11,820,335	0.28
14	Lee Pineapple Company (Pte) Limited	10,000,000	0.23
15	DBS Vickers Securities (Singapore) Pte Ltd	9,772,495	0.23
16	Tatardjo Angkasa or Dewi Widjaja	9,759,990	0.23
17	OCBC Securities Private Limited	9,435,051	0.22
18	BNP Paribas Nominees Singapore Pte Ltd	8,184,174	0.19
19	Morgan Stanley Asia (Singapore) Securities Pte Ltd	7,726,041	0.18
20	Merrill Lynch (Singapore) Pte. Ltd.	7,098,037	0.17
	Total	**3,643,617,805**	**85.47**

SUBSTANTIAL SHAREHOLDERS

As shown in the Register of Substantial Shareholders as at 28 February 2011

Substantial Shareholder	No. of ordinary shares in which substantial shareholder has a direct interest	No. of ordinary shares in which substantial shareholder is deemed to have an interest
Temasek Holdings (Private) Limited	1,680,704,140	63,606,870[1]

Note:

[1] *By virtue of Section 7 of the Companies Act, Cap. 50 of Singapore, Temasek Holdings (Private) Limited ("Temasek") is deemed to have an interest in 63,606,870 ordinary shares in which its associated companies have or are deemed to have an interest. Temasek is wholly owned by the Minister for Finance.*

SIZE OF HOLDINGS

Size of Shareholdings	No. of shareholders	% of shareholders	No. of shares	% of shares
1 - 999	930	1.46	320,669	0.01
1,000 - 10,000	52,427	82.15	205,819,879	4.83
10,001 - 1,000,000	10,419	16.32	353,442,955	8.29
1,000,001 and above	45	0.07	3,703,352,943	86.87
Total	**63,821**	**100.00**	**4,262,936,446**	**100.00**

Approximately 58.94% of the issued ordinary shares are held in the hands of the public. Rule 723 of the Listing Manual of the Singapore Exchange Securities Trading Limited is complied with.

OTHER INFORMATION

1. DIRECTORS' REMUNERATION

(a) Directors' Compensation Table for the Financial Year Ended 31 December 2010:

Directors of the Company	Salary inclusive of AWS and employer's CPF $	Bonus and other benefits inclusive of employer's CPF[1] $	Directors' fees inclusive of attendance fees[2] $	Awards of shares[3] $	Total $
Payable by Company:					
Dr Hu Tsu Tau	–	–	193,000	52,404	245,404
Peter Seah Lim Huat	–	–	169,250	63,123	232,373
Liew Mun Leong	1,298,840	3,602,021	–	1,792,701	6,693,562
Lim Chin Beng [4]	–	–	31,678	20,775	52,453
Jackson Peter Tai	–	–	157,400	36,921	194,321
Richard Edward Hale	–	–	138,000	56,374	194,374
Dr Victor Fung Kwok King [5]	–	–	22,900	–	22,900
James Koh Cher Siang	–	–	140,000	48,831	188,831
Arfat Pannir Selvam	–	–	151,000	52,801	203,801
Professor Kenneth Stuart Courtis	–	–	155,700	36,921	192,621
Dr Fu Yuning	–	–	61,000	22,629	83,629
John Powell Morschel [6]	–	–	77,500	21,041	98,541
Ng Kee Choe [6]	–	–	56,292	–	56,292
Simon Claude Israel [6]	–	–	55,500	–	55,500
Sub-Total 1	**1,298,840**	**3,602,021**	**1,409,220**	**2,204,521**	**8,514,602**
Payable by Subsidiaries:					
Liew Mun Leong	–	–	–	67,058	67,058
Lim Chin Beng	–	–	63,500	–	63,500
Richard Edward Hale	–	–	80,000	–	80,000
James Koh Cher Siang	–	–	117,442	6,457	123,899
Arfat Pannir Selvam	–	–	69,964	29,517	99,481
Dr Fu Yuning	–	–	46,000	18,679	64,679
Sub-Total 2	**–**	**–**	**376,906**	**121,711**	**498,617**
Total for Directors of the Company	**1,298,840**	**3,602,021**	**1,786,126**	**2,326,232**	**9,013,219**

[1] *The bonus figures consist primarily of Economic Value Added ("EVA") bonuses under the EVA incentive plan and are disclosed based on an accrual basis and accrued for the performance of the same year. The EVA bonus for the year 2010 is lower than 2009 due to lower portfolio gain. The EVA bonus accrued for year 2010 is credited into the bonus account and 1/3 of the balance in the bonus account will be paid out annually, provided that the account balance, which is subjected to a clawback feature, is positive.*

[2] *The directors' fees will only be paid upon approval by the shareholders at the forthcoming Annual General Meeting of the Company and its subsidiaries.*

[3] *For the year 2010, the awards granted under the CapitaLand Restricted Stock Plan ("RSP") to all Directors except for Mr Liew Mun Leong are time-based with no performance conditions and will be released over a vesting period of two years. The awards of shares figures disclosed are based on the fair value of the shares at the time of grant. Contingent awards of shares under the RSP and the CapitaLand Performance Share Plan ("PSP") were granted to Mr Liew Mun Leong. The final number of shares released under the contingent awards of shares for RSP and PSP will depend on the achievement of pre-determined targets and subject to the respective vesting period under RSP and PSP. The contingent awards of shares figures disclosed are based on the fair value of the shares comprised in the baseline awards under the RSP and PSP at the time of grant.*

[4] *Mr Lim Chin Beng retired from the Board of the Company on 16 April 2010. He continued to be a Director and the Chairman of The Ascott Limited, a wholly-owned subsidiary.*

[5] *Dr Victor Fung Kwok King had declined the grant of award of shares. He retired from the Board of the Company on 16 April 2010.*

[6] *Mr John Powell Morschel, Mr Ng Kee Choe and Mr Simon Claude Israel were appointed as Directors of the Company on 1 February 2010, 16 April 2010 and 1 July 2010, respectively. Fees are payable to Mr Simon Claude Israel's employer.*

1. DIRECTORS' REMUNERATION *(cont'd)*

(b) Directors' Compensation Table for the Financial Year Ended 31 December 2009:

Directors of the Company	Salary inclusive of AWS and employer's CPF $	Bonus and other benefits inclusive of employer's CPF[1] $	Directors' fees inclusive of attendance fees[2] $	Contingent awards of shares[3] $	Total $
Payable by Company:					
Dr Hu Tsu Tau	–	–	130,634	58,463	189,097
Peter Seah Lim Huat	–	–	154,243	58,463	212,706
Liew Mun Leong	1,019,148	3,828,384	–	947,858	5,795,390
Lim Chin Beng	–	–	105,184	53,591	158,775
Jackson Peter Tai	–	–	141,494	34,103	175,597
Richard Edward Hale	–	–	130,534	53,591	184,125
Dr Victor Fung Kwok King [4]	–	–	59,940	–	59,940
James Koh Cher Siang	–	–	132,351	58,463	190,814
Arfat Pannir Selvam	–	–	142,343	43,848	186,191
Professor Kenneth Stuart Courtis	–	–	147,794	34,103	181,897
Dr Fu Yuning [5]	–	–	38,814	–	38,814
Sub-Total 1	**1,019,148**	**3,828,384**	**1,183,331**	**1,342,483**	**7,373,346**
Payable by Subsidiaries:					
Lim Chin Beng	–	–	63,500	–	63,500
Richard Edward Hale	–	–	78,000	–	78,000
James Koh Cher Siang	–	–	131,000	–	131,000
Arfat Pannir Selvam	–	–	9,000	–	9,000
Dr Fu Yuning	–	–	6,900	–	6,900
Sub-Total 2	**–**	**–**	**288,400**	**–**	**288,400**
Total for Directors of the Company	**1,019,148**	**3,828,384**	**1,471,731**	**1,342,483**	**7,661,746**

[1] *The bonus figures consist primarily of Economic Value Added ("EVA") bonuses under the EVA incentive plan and are disclosed based on an accrual basis and accrued for the performance of the same year. The EVA bonus for the year 2009 is higher than 2008 due to higher portfolio gain. The EVA bonus accrued for year 2009 is credited into the bonus account and 1/3 of the balance in the bonus account will be paid out annually, provided that the account balance, which is subjected to a clawback feature, is positive.*

[2] *The directors' fees were approved by the shareholders and had since been paid.*

[3] *With effect from the financial year ended 31 December 2009, the Company will be disclosing the value of the contingent awards of shares granted to its Directors. The contingent awards of shares figures disclosed are based on the fair value of the shares comprised in the baseline awards under the CapitaLand Restricted Stock Plan ("RSP") and the CapitaLand Performance Share Plan ("PSP") at the time of grant. All Directors are granted the contingent awards of shares pursuant to RSP except for Mr Liew Mun Leong who is granted the contingent awards of shares pursuant to both RSP and PSP. The final number of shares released under the contingent awards of shares for RSP and PSP will depend on the achievement of pre-determined targets and subject to the respective vesting period under RSP and PSP. The fair value of the shares determined for the contingent awards in 2009 is significantly lower than 2008.*

[4] *Dr Victor Fung Kwok King had declined the grant of contingent awards of shares.*

[5] *Dr Fu Yuning was appointed as a director of the Company on 27 July 2009.*

(c) Number of Directors in Remuneration Bands:

Remuneration Bands	2010	2009
$500,000 and above	1	1
$250,000 to $499,999	0	0
Below $250,000	13	10
Total	**14**	**11**

OTHER INFORMATION

2. INTERESTED PERSON TRANSACTIONS

Interested person transactions carried out during the financial year which fall under Chapter 9 of the Listing Manual of the Singapore Exchange Securities Trading Limited are as follows:

The Group	2010 $'000
Transactions for the Sale of Goods and Services:	
Associates of Temasek Holdings (Private) Limited	7,687
Singapore Airlines Limited	3,200
Transactions for the Purchase of Goods and Services:	
Associates of Temasek Holdings (Private) Limited	336
Consideration for the sale of units in residential developments to the directors and their associates at prevailing prices applicable to third parties:	
Liew Mun Leong and his associates – 2 units of The Interlace	6,205
Associate of Liew Mun Leong – 1 unit of The Metropolis	219
Associates of Peter Seah Lim Huat – 1 unit of The Interlace	3,100

3. KEY EXECUTIVES' REMUNERATION

Key Executives' Compensation Table for the Financial Year Ended 31 December 2010:

Total Compensation [1] Bands	Executives
$2,250,000 to $2,499,999	Jennie Chua Kheng Yeng
$2,500,000 to $2,749,999	–
$2,750,000 to $2,999,999	Wen Khai Meng and Olivier Lim Tse Ghow
More than $3,000,000	Lim Ming Yan

[1] *Total compensation comprises salary, annual wage supplement, bonus, employer's CPF, contingent awards of shares and other benefits in kind. The bonus is based on an accrual basis and accrued for the performance of the same year. The contingent awards of shares are based on the fair value of the shares comprised in the baseline awards under the CapitaLand Restricted Stock Plan ("RSP") and the CapitaLand Performance Share Plan ("PSP") at the time of grant. The final number of shares released under the contingent awards of shares for RSP and PSP will depend on the achievement of pre-determined targets and subject to the respective vesting period under RSP and PSP.*

4. USE OF PROCEEDS

In September 2009, the Company issued $1.2 billion principal amount of convertible bonds due in 2016. As of 31 December 2010, the Company has utilised $659 million of the proceeds and the balance of proceeds unutilised was $541 million.

5. PROPERTY PORTFOLIO

The Group's property portfolio as at 31 December 2010 is set out in the booklet "Property Portfolio 31 December 2010" accompanying this Annual Report.

STATUTORY ACCOUNTS

CONTENTS

DIRECTORS' REPORT

We are pleased to submit this annual report to the members of the Company, together with the audited financial statements for the financial year ended 31 December 2010.

DIRECTORS

The directors in office at the date of this report are as follows:

Dr Hu Tsu Tau	
Peter Seah Lim Huat	
Liew Mun Leong	
Jackson Peter Tai	
Richard Edward Hale	
James Koh Cher Siang	
Arfat Pannir Selvam	
Professor Kenneth Stuart Courtis	
Dr Fu Yuning	
John Powell Morschel	
Ng Kee Choe	(appointed on 16 April 2010)
Simon Claude Israel	(appointed on 1 July 2010)

DIRECTORS' INTERESTS IN SHARES OR DEBENTURES

Except as disclosed in this report, no director who held office at the end of the financial year had interests in shares, debentures or options of the Company or of related corporations either at the beginning of the financial year (or date of appointment, if later) or at the end of the financial year.

According to the register kept by the Company for the purposes of Section 164 of the Companies Act, Chapter 50, particulars of interests of directors who held office at the end of the financial year in shares, debentures, options and awards in the Company and its related corporations are as follows:

	Holdings in the name of the director, spouse and/or infant children	
	At beginning of the year/date of appointment	**At end of the year**
The Company		
Ordinary shares		
Dr Hu Tsu Tau	180,929	211,893
Peter Seah Lim Huat	180,741	267,417
Liew Mun Leong	2,628,307	3,356,436
Jackson Peter Tai	389,060	600,572
Richard Edward Hale	683,106	839,549
James Koh Cher Siang	64,648	193,633
Arfat Pannir Selvam	75,696	179,799
Professor Kenneth Stuart Courtis	101,614	117,697
Ng Kee Choe	10,000	10,000

DIRECTORS' INTERESTS IN SHARES OR DEBENTURES *(cont'd)*

		Holdings in the name of the director, spouse and/or infant children	
		At beginning of the year/date of appointment	At end of the year
The Company *(cont'd)*			
Options to subscribe for ordinary shares exercisable from 26/02/2006 to 25/02/2010 at an exercise price of $1.79[1] per share			
Jackson Peter Tai		99,090	–
Options to subscribe for ordinary shares exercisable from 25/02/2007 to 24/02/2011 at an exercise price of $3.22[1] per share			
Dr Hu Tsu Tau		41,760	41,760
Peter Seah Lim Huat		60,660	–
Jackson Peter Tai		94,360	–
Richard Edward Hale		128,060	–
James Koh Cher Siang		134,800	34,800
Arfat Pannir Selvam		80,880	–
Options to subscribe for ordinary shares exercisable from 25/02/2007 to 24/02/2016 at an exercise price of $3.18[1] per share			
Liew Mun Leong		493,600	–
Contingent award of Performance shares[2] to be delivered after 2009			
Liew Mun Leong		0 to 727,338[4]	–[¶]
¶ No share was released under the 2007 award.			
Contingent award of Performance shares[2] to be delivered after 2010			
Liew Mun Leong	(368,726[1] shares)	0 to 720,660[4]	0 to 737,452[4]
Contingent award of Performance shares[2] to be delivered after 2011			
Liew Mun Leong	(370,258[1] shares)	0 to 718,320[4]	0 to 740,516[4]
Contingent award of Performance shares[2] to be delivered after 2012			
Liew Mun Leong	(381,039[1] shares)	–	0 to 762,078[4]
Unvested Restricted shares[3] to be delivered after 2007			
Liew Mun Leong		97,132[7]	–
Unvested Restricted shares[3] to be delivered after 2008			
Dr Hu Tsu Tau		11,876[6]	–
Peter Seah Lim Huat		6,928[6]	–
Liew Mun Leong		105,398[8]	53,554[1,7]
Jackson Peter Tai		6,928[6]	–
Richard Edward Hale		10,886[6]	–
James Koh Cher Siang		9,897[6]	–
Arfat Pannir Selvam		8,907[6]	–
Professor Kenneth Stuart Courtis		4,949[6]	–

DIRECTORS' REPORT

DIRECTORS' INTERESTS IN SHARES OR DEBENTURES *(cont'd)*

	Holdings in the name of the director, spouse and/or infant children	
	At beginning of the year/date of appointment	At end of the year
The Company *(cont'd)*		
Unvested Restricted shares[3] to be delivered after 2009		
Dr Hu Tsu Tau	0 to 44,391[5]	19,336[1,6]
Peter Seah Lim Huat	0 to 44,391[5]	19,336[1,6]
Liew Mun Leong	0 to 295,464[5]	171,958[1,8]
Jackson Peter Tai	0 to 25,895[5]	11,280[1,6]
Richard Edward Hale	0 to 40,692[5]	17,725[1,6]
James Koh Cher Siang	0 to 44,391[5]	19,336[1,6]
Arfat Pannir Selvam	0 to 33,294[5]	14,503[1,6]
Professor Kenneth Stuart Courtis	0 to 25,895[5]	11,280[1,6]
Award of Restricted shares[3] to be delivered after 2010		
Dr Hu Tsu Tau	–	13,373[1,5]
Peter Seah Lim Huat	–	16,108[1,5]
Jackson Peter Tai	–	9,422[1,5]
Richard Edward Hale	–	14,386[1,5]
James Koh Cher Siang	–	12,461[1,5]
Arfat Pannir Selvam	–	13,474[1,5]
Professor Kenneth Stuart Courtis	–	9,422[1,5]
Dr Fu Yuning	–	5,775[1,5]
John Powell Morschel	–	5,369[1,5]
Contingent award of Restricted shares[3] to be delivered after 2010		
Liew Mun Leong (201,275[1] shares)	–	0 to 301,913[5]
$1.3 billion convertible bonds 3.125% due 2018 (Aggregate principal amount of bonds which remains outstanding is $1.05 billion)		
Liew Mun Leong	–	$1,500,000
Related Corporations		
CapitaMalls Asia Limited		
Ordinary shares		
Dr Hu Tsu Tau	29,000	29,000
Peter Seah Lim Huat	29,000	29,000
Liew Mun Leong	442,000	442,000
Jackson Peter Tai	29,000	29,000
Richard Edward Hale	38,000	38,000
James Koh Cher Siang	43,000	43,000
Arfat Pannir Selvam	54,000	54,000
Dr Fu Yuning	54,000	54,000
Ng Kee Choe	130,000	130,000

DIRECTORS' INTERESTS IN SHARES OR DEBENTURES *(cont'd)*

	Holdings in the name of the director, spouse and/or infant children	
	At beginning of the year/date of appointment	At end of the year
Related Corporations *(cont'd)*		
CapitaMalls Asia Limited *(cont'd)*		
Award of Restricted shares[3] to be delivered after 2010		
Liew Mun Leong	–	29,080[5]
James Koh Cher Siang	–	2,800[5]
Arfat Pannir Selvam	–	12,800[5]
Dr Fu Yuning	–	8,100[5]
The Ascott Capital Pte Ltd		
Liew Mun Leong		
- **$50 million 3.10% Fixed Rate Notes due 2010**	$1,000,000	–
- **$150 million 4.70% Fixed Rate Notes due 2011**	$1,000,000	$1,000,000
- **$200 million 4.38% Fixed Rate Notes due 2012**	$1,000,000	$1,000,000
- **$50 million 5.15% Fixed Rate Notes due 2014**	$1,000,000	$1,000,000

Footnotes:

1 *On 30 April 2010 and 3 May 2010, adjustments were made to the exercise prices of unexercised options and the number of shares under awards respectively. The adjustments were made in accordance with the rules of the CapitaLand Share Option Plan, the CapitaLand Performance Share Plan and the CapitaLand Restricted Stock Plan, arising from the payment of a special dividend of $0.05 per issued ordinary share for the financial year ended 31 December 2009.*

2 *Performance shares are shares under awards pursuant to the CapitaLand Performance Share Plan.*

3 *Restricted shares are shares under awards pursuant to the CapitaLand Restricted Stock Plan or CMA Restricted Stock Plan.*

4 *The final number of shares released will depend on the achievement of pre-determined targets over a three-year performance period. No share will be released if the threshold targets are not met at the end of the performance period. On the other hand, if superior targets are met, more shares than the baseline award could be delivered up to a maximum of 200% of the baseline award.*

5 *The final number of shares released will depend on the achievement of pre-determined targets at the end of a one-year performance period and the release will be over a vesting period of two to three years. No share will be released if the threshold targets are not met at the end of the performance period. On the other hand, if superior targets are met, more shares than the baseline award could be delivered up to a maximum of 150% of the baseline award. For the year 2010, the awards granted to non-executive directors are time-based with no performance conditions and will be released over a vesting period of two years.*

6 *Being the unvested half of the award.*

7 *Being the unvested one-third of the award.*

8 *Being the unvested two-thirds of the award.*

There was no change in any of the above-mentioned directors' interests in the Company and its related corporations between the end of the financial year and 21 January 2011.

DIRECTORS' REPORT

DIRECTORS' INTERESTS IN CONTRACTS

During the financial year, the directors' interests in contracts relate to:

(i) sale of residential properties to directors and their associates:

Directors	Projects	Transaction Amount
Liew Mun Leong and his family members	2 units of The Interlace	$6,204,500
Family members of Peter Seah Lim Huat	1 unit of The Interlace	$3,099,500
Family member of Liew Mun Leong	1 unit of The Metropolis	RMB1,116,519

(ii) professional advisory fees of $2,843 paid to Professor Kenneth Stuart Courtis;

(iii) professional fees of $16,590 paid or payable to Selvam LLC (formerly known as Arfat Selvam Alliance LLC), of which Mrs Arfat Pannir Selvam is a shareholder; and

(iv) an ongoing tenancy lease agreement entered into between a related corporation and a company in which Mr Liew Mun Leong is a shareholder.

Save as disclosed above, since the end of the last financial year, no other director has received or become entitled to receive a benefit by reason of a contract made by the Company or a related corporation with the director, or with a firm of which he is a member or with a company in which he has a substantial financial interest.

Directors' emoluments are disclosed in "Other Information".

ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES AND DEBENTURES

Except as disclosed under the "Directors' Interests in Shares or Debentures" and "Share Plans" sections of this report, neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects are, or one of whose objects is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

SHARE PLANS

The Executive Resource and Compensation Committee ("ERCC") of the Company has been designated as the Committee responsible for the administration of the Share Plans. The ERCC comprises the following members:

Mr Peter Seah Lim Huat (Chairman)
Mr Ng Kee Choe
Mr Simon Claude Israel

(a) CapitaLand Share Option Plan, Performance Share Plan and Restricted Stock Plan

The CapitaLand Share Option Plan, the CapitaLand Performance Share Plan and the CapitaLand Restricted Stock Plan (collectively referred to as the "Existing Share Plans") were approved and adopted by the members of the Company at an Extraordinary General Meeting ("EGM") held on 16 November 2000.

A new CapitaLand PSP 2010 and CapitaLand RSP 2010 (together, the "New Share Plans") were approved by the members of the Company at the EGM held on 16 April 2010. These new plans are intended to replace the CapitaLand Performance Share Plan and the CapitaLand Restricted Stock Plan under the Existing Share Plans. The Company did not extend the duration of, or replace, the existing CapitaLand Share Option Plan. The Existing Share Plans were terminated following the adoption of the New Share Plans. However, all awards granted under the Existing Share Plans prior to its termination will continue to be valid and be subject to the terms and conditions of the Existing Share Plans.

SHARE PLANS *(cont'd)*

(a) CapitaLand Share Option Plan, Performance Share Plan and Restricted Stock Plan *(cont'd)*

The CapitaLand RSP 2010 is intended to apply to a broader base of executives as well as to the non-executive directors, while the CapitaLand PSP 2010 is intended to apply to a select group of key senior management.

Under the CapitaLand PSP 2010, the awards granted are conditional on performance targets set based on medium-term corporate objectives. Awards represent the right of a participant to receive fully paid shares, their equivalent cash value or combinations thereof, free of charge, upon the Company achieving prescribed performance target(s). Awards are released once the ERCC is satisfied that the prescribed target(s) have been achieved. There are no vesting periods beyond the performance achievement periods.

Under the CapitaLand RSP 2010, awards granted to eligible participants vest only after the satisfactory completion of time-based service conditions or where the award is performance-related, after a further period of service beyond the performance target completion date (performance-based restricted awards). No minimum vesting periods are prescribed under the CapitaLand RSP 2010.

Awards granted under the CapitaLand RSP 2010 differ from awards granted under the CapitaLand PSP 2010 in that an extended vesting period is normally imposed beyond the performance target completion date, that is, they also incorporate a time-based service condition as well, to encourage participants to continue serving the Group beyond the achievement date of the pre-determined performance target(s). In addition, the CapitaLand RSP 2010 also enable grants of fully paid shares to be made to non-executive directors as part of their remuneration in respect of their office as such in lieu of cash.

The aggregate number of new shares which may be allotted, issued and/or delivered pursuant to awards granted under the New Share Plans on any date, when aggregated with existing shares (including shares held in treasury and cash equivalents) delivered and/or to be delivered, pursuant to the New Shares Plans, and all shares, options or awards granted under any other share schemes of the Company then in force, shall not exceed 8% of the total number of issued shares (excluding treasury shares) from time to time.

The duration of each share plan is 10 years commencing on 16 April 2010. As at the end of the financial year, there were no issued shares of the Company under the New Share Plans.

(b) Options Exercised

The Company ceased to grant options under the CapitaLand Share Option Plan since 2007. During the financial year, there were new ordinary shares issued for cash in the capital of the Company and its subsidiary pursuant to the exercise of options granted:

Name of Company	Exercise Price (per share)	Number of Shares Issued
CapitaLand Limited	$0.30 to $4.19	8,048,400
Australand	A$0.22	144,250**

*** The number of stapled securities issued pursuant to the exercise of options were prior to the consolidation of the stapled securities in May 2010.*

Save as disclosed above, there was no share issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company and its subsidiary.

SHARE PLANS *(cont'd)*

(c) Unissued Shares under Options

At the end of the financial year, there were the following unissued ordinary shares of the Company under options:

	Number of Holders	Expiry Date	Exercise Price* (per share) $	Number of Unissued Shares under Options
The Company				
Non-Executive Directors (including non-executive directors of subsidiaries and former directors)	7	24/02/2011	3.22	285,280
Group Executives	14	18/06/2011	1.15	96,741
	14	10/05/2012	0.49	62,459
	25	28/02/2013	0.30	239,488
	4	29/08/2013	0.30	7,846
	67	27/02/2014	0.50	615,517
	7	27/08/2014	0.85	43,210
	179	25/02/2015	1.72	1,811,796
	25	26/08/2015	2.15	111,090
	410	24/02/2016	3.18	6,377,502
	1	19/06/2016	3.65	87,350
	54	01/09/2016	4.09	662,066
				10,115,065
Total				**10,400,345**

* *On 30 April 2010, adjustments were made to the exercise prices of unexercised options in accordance with the rules of the CapitaLand Share Option Plan arising from the payment of a special dividend of $0.05 per issued ordinary share for the financial year ended 31 December 2009. Exercise prices of the unexercised options were adjusted lower by $0.05 to $0.10 per option to compensate for the decline in values of the said options.*

SHARE PLANS *(cont'd)*

(c) Unissued Shares under Options *(cont'd)*

The aggregate number of options granted since the commencement of the CapitaLand Share Option Plan to the end of the financial year is as follows:

Participants	Aggregate options granted since the commencement of the CapitaLand Share Option Plan	Aggregate options exercised	Aggregate options lapsed/ cancelled	Aggregate outstanding options
Directors of the Company:				
Dr Hu Tsu Tau	281,760	(240,000)	–	41,760
Peter Seah Lim Huat	494,460	(494,460)	–	–
Liew Mun Leong	6,257,200	(6,257,200)	–	–
Jackson Peter Tai	722,250	(502,250)	(220,000)	–
Richard Edward Hale	608,230	(608,230)	–	–
James Koh Cher Siang	134,800	(100,000)	–	34,800
Arfat Pannir Selvam	100,880	(100,880)	–	–
	8,599,580	(8,303,020)	(220,000)	76,560
Non-Executive Directors of subsidiaries (including former directors of the Company)	10,024,290	(9,286,120)	(529,450)	208,720
Group Executives (excluding Liew Mun Leong)	138,155,955	(93,835,458)	(34,205,432)	10,115,065
Parent Group Executives and others	2,662,482	(2,232,834)	(429,648)	–
Total	**159,442,307**	**(113,657,432)**	**(35,384,530)**	**10,400,345**

At the end of the financial year, there were also unissued stapled securities of a subsidiary under options as follows:

Australand	Number of Holders	Expiry Date	Exercise Price** (per stapled security) A$	Number of Unissued Stapled Securities Under Options**
Employees	9	11/03/2011	1.10	13,550

*** In May 2010, the total number of stapled securities on issue were consolidated on a 1 for 5 basis. For every 5 stapled securities on issue prior to the consolidation, security holders received 1 new stapled security. The exercise price has been adjusted for the effect of the security consolidation.*

Save as disclosed above, there were no unissued shares of the Company or its subsidiary under options as at the end of the financial year.

SHARE PLANS *(cont'd)*

(d) Awards under the CapitaLand Performance Share Plan

During the financial year, the ERCC of the Company has granted awards under the Existing Share Plans which are conditional on targets set for a performance period, currently prescribed to be a three-year performance period. A specified number of shares will only be released by the ERCC to the recipient at the end of the qualifying performance period, provided the threshold targets are achieved.

The final number of shares released will depend on the achievement of pre-determined targets over a three-year performance period. No share will be released if the threshold targets are not met at the end of the performance period. On the other hand, if superior targets are met, more shares than the baseline award could be delivered up to a maximum of 200% of the baseline award.

Details of the movement in the awards of the Company during the year were as follows:

	Balance as at 1 January 2010		<------------ Movements during the year ------------>			Balance as at 31 December 2010	
			Granted/ Adjusted^	Released	Lapsed/ Cancelled		
Year of Award	No. of holders	No. of shares	No. of shares	No. of shares	No. of shares	No. of holders	No. of shares
2007	60	2,619,614	–	(335,967)	(2,283,647)	–	–
2008	74	2,988,755	62,466	–	(469,318)	66	2,581,903
2009	81	3,855,286	109,932	–	(467,507)	73	3,497,711
2010	–	–	3,418,124	–	(278,258)	56	3,139,866
		9,463,655	**3,590,522**	**(335,967)**	**(3,498,730)**		**9,219,480**

^ *On 3 May 2010, adjustments were made to the number of shares under awards in accordance with the rules of the CapitaLand Performance Share Plan arising from the payment of a special dividend of $0.05 per issued ordinary share for the financial year ended 31 December 2009. The Company granted a total of 362,822 shares to compensate for the decline in values of the said awards.*

(e) Awards under the CapitaLand Restricted Stock Plan

During the financial year, the ERCC of the Company has granted awards under the Existing Share Plans which are conditional on targets set for a performance period, currently prescribed to be a one-year performance period. A specified number of shares will only be released by the ERCC to the recipients at the end of the qualifying performance period, provided the threshold targets are achieved.

The final number of shares released will depend on the achievement of pre-determined targets at the end of a one-year performance period. No share will be released if the threshold targets are not met at the end of the performance period. On the other hand, if superior targets are met, more shares than the baseline award could be delivered up to a maximum of 150% of the baseline award. The shares have a vesting schedule of two to three years. Recipients can receive fully paid shares, their equivalent cash value or combinations thereof, at no cost.

With effect from 2008, the ERCC of the Company has instituted a set of share ownership guidelines for senior management who receives shares under the CapitaLand Restricted Stock Plan. Under these guidelines, members of the senior management team are required to retain a portion of the total number of CapitaLand shares acquired through the CapitaLand Restricted Stock Plan which will vary according to their job grades and base salaries. For the year 2010, awards granted to non-executive directors are time-based with no performance conditions and will be released over a vesting period of two years.

SHARE PLANS *(cont'd)*

(e) Awards under the CapitaLand Restricted Stock Plan *(cont'd)*

Details of the movement in the awards by the Company during the year were as follows:

	Balance as at 1 January 2010		<------------ Movements during the year ------------>			Balance as at 31 December 2010	
			Granted/ Adjusted^^	Released+	Lapsed/ Cancelled		
Year of Award	No. of holders	No. of shares	No. of shares	No. of shares	No. of shares	No. of holders	No. of shares
2007	868	2,012,134	–	(1,958,147)	(53,987)	–	–
2008	1,223	3,378,636	24,507	(1,714,443)	(261,609)	1,069	1,427,091
2009	1,656	8,230,224	2,420,934	(3,505,177)	(950,888)	1,430	6,195,093
2010	–	–	6,405,436	–	(536,667)	885	5,868,769
		13,620,994	**8,850,877**	**(7,177,767)**	**(1,803,151)**		**13,490,953**

^^ *On 3 May 2010, adjustments were made to the number of shares under awards in accordance with the rules of the CapitaLand Restricted Stock Plan arising from the payment of a special dividend of $0.05 per issued ordinary share for the financial year ended 31 December 2009. The Company granted a total of 254,118 shares (of which 34,083 are to be cash-settled) to compensate for the decline in values of the said awards.*

+ *The number of shares released during the year was 7,177,767, of which 1,063,145 were cash-settled.*

As at 31 December 2010, the number of shares comprised in awards granted under the CapitaLand Restricted Stock Plan is as follows:

	Equity-settled	Cash-settled
Final number of shares has not been determined (baseline award) #	5,078,845	663,863
Final number of shares determined but not released	6,594,458	1,153,787
	11,673,303	**1,817,650**

The final number of shares released could range from 0% to 150% of the baseline award.

During the year, the aggregate number of new shares issued pursuant to the Existing Share Plans did not exceed 15% of the issued share capital of the Company.

(f) Awards under the CapitaMalls Asia Limited ("CMA") Share Plans

The CMA Performance Share Plan and the CMA Restricted Stock Plan (collectively referred to as the "CMA Share Plans") were approved and adopted by the shareholders' of CMA at an Extraordinary General Meeting held on 30 October 2009.

Under the CMA Share Plans, awards are granted to eligible participants who will have the right to receive fully paid shares, their equivalent cash value or combinations thereof, free of charge, upon the company achieving prescribed performance target(s).

SHARE PLANS *(cont'd)*

(f) Awards under the CapitaMalls Asia Limited ("CMA") Share Plans *(cont'd)*

(i) Awards under the CMA Performance Share Plan

The CMA Performance Share Plan has no vesting periods beyond the performance achievement periods and applies only to key executives.

Details of the movement in the awards by CMA during the year were as follows:

	Balance as at 1 January 2010		<------------ Movements during the year		------------>	Balance as at 31 December 2010	
			Granted	Released	Lapsed/ Cancelled		
Year of Award	No. of holders	No. of shares	No. of shares	No. of shares	No. of shares	No. of holders	No. of shares
2010	–	–	871,700	–	–	20	871,700

(ii) Awards under the CMA Restricted Stock Plan

Under the CMA Restricted Stock Plan, awards granted to eligible participants vest only after the satisfactory completion of time-based service conditions or where the awards are performance-related, after a further period of service beyond the performance target completion date (performance-related awards). No minimum vesting period is prescribed under the CMA Restricted Stock Plan. Performance-related awards differ from awards granted under the CMA Performance Share Plan in that an extended vesting period is imposed beyond the performance target completion date.

Details of the movement in the awards by CMA during the year were as follows:

	Balance as at 1 January 2010		<------------ Movements during the year		------------>	Balance as at 31 December 2010	
			Granted	Released	Lapsed/ Cancelled		
Year of Award	No. of holders	No. of shares	No. of shares	No. of shares	No. of shares	No. of holders	No. of shares
2010	–	–	4,633,710	–	(516,731)	795	4,116,979*

* *Included 1,209,807 shares which were to be cash-settled.*

(g) Awards under the Australand Share Plans

(i) Australand Performance Rights Plan

The establishment of the Australand Performance Rights Plan was approved by Australand's shareholders at the 2007 Annual General Meeting ("AGM").

The number of securities outstanding under the Australand Performance Rights Plan as at the end of the year is summarised below:

Year of Award	Balance as at 1 January 2010*	<------- Movements during the year Granted	--------> Lapsed/Forfeited	Balance as at 31 December 2010
2007	111,620	–	–	111,620
2008	279,627	–	(243,954)	35,673
2009	2,333,833	–	(327,681)	2,006,152
2010	–	1,939,700	(179,927)	1,759,773
	2,725,080	**1,939,700**	**(751,562)**	**3,913,218**

* *In May 2010, the total number of stapled securities on issue were consolidated on a 1 for 5 basis. For every 5 stapled securities on issue prior to the consolidation, security holders received 1 new stapled security. Opening balances of performance rights granted, and performance rights exercised, lapsed and forfeited, as well as their fair values, have been adjusted for the effect of the security consolidation.*

SHARE PLANS *(cont'd)*

(g) Awards under the Australand Share Plans *(cont'd)*

(ii) Australand Tax Exempt Employee Security Plan

The Australand Tax Exempt Employee Security Plan in which tax exempt stapled securities may be issued by the company to employees for no cash consideration was approved by Australand's shareholders at the 2007 AGM. All Australian resident permanent (full-time and part-time) employees (excluding directors and participants in the Australand Performance Rights Plan) who have been continuously employed by the Group for a period of at least nine months as at the invitation date and are still employees as at the acquisition date are eligible to participate in the plan. Employees may elect not to participate in the plan.

The plan provides up to A$1,000 of Australand stapled securities (tax-free) to eligible employees annually for no cash consideration.

A three-year restriction period on selling, transferring or otherwise dealing with the securities applies, unless the employee leaves Australand. Under the plan, employees will receive the same benefits as all other security holders.

The number of securities issued to participants in the plan is the offer amount divided by the weighted average price at which Australand's stapled securities are traded on the Australian Stock Exchange during the week up to and including the acquisition date (rounded down to the nearest whole number of stapled securities).

During the year, 110,410 (2009: Nil) securities were issued under the Australand Tax Exempt Employee Security Plan at the weighted average market price of A$2.76 per security.

(iii) Australand Employees Securities Ownership Plan

The Australand Employees Securities Ownership Plan ("Australand ESOP") offers a five-year, interest-free loan to enable employees to purchase specified number of Australand stapled securities allocated by Australand's Remuneration Committee. The loan has limited recourse and the employees' obligations to repay the loan are limited to the market value of the securities at any time. The loan will be partly repaid by distributions on the securities held and must be fully repaid on cessation of employment with Australand or by the fifth anniversary of the origination date of the loan, whichever is earlier. The last offer under Australand ESOP was made on 30 June 2006 and hence Australand ESOP will cease to exist from 30 June 2011.

In addition to the above Australand ESOP, options over unissued Australand stapled securities have previously been issued to employees under the terms of the Australand Share Option Scheme. No option has been issued under this scheme since March 2002. No future options will be issued under this scheme.

DIRECTORS' REPORT

AUDIT COMMITTEE

The Audit Committee members at the date of this report are Mr Richard Edward Hale (Chairman), Mr James Koh Cher Siang and Mrs Arfat Pannir Selvam.

The Audit Committee performs the functions specified by Section 201B of the Companies Act, Chapter 50 (the "Act"), the Listing Manual of the SGX-ST, and the Code of Corporate Governance.

The principal responsibility of the Audit Committee is to assist the Board of Directors in fulfilling its oversight responsibilities. Areas of review by the Audit Committee include:

- the reliability and integrity of the financial statements;
- the impact of new, revised or proposed changes in accounting policies or regulatory requirements on the financial statements;
- the compliance with laws and regulations, particularly those of the Act and the Listing Manual of the SGX-ST;
- the appropriateness of quarterly and full year announcements and reports;
- the adequacy of internal controls and evaluation of adherence to such controls;
- the effectiveness and efficiency of internal and external audits;
- the appointment and re-appointment of external auditors and the level of auditors' remuneration;
- the nature and extent of non-audit services and their impact on independence and objectivity of the external auditors;
- interested person transactions;
- the findings of internal investigation, if any;
- the framework and processes established for the implementation of the terms of the collaboration agreement with CMA in order to ensure that such framework and processes remain appropriate;
- the processes put in place to manage any material conflicts of interest within the Group; and
- all conflicts of interest matters referred to it.

The Audit Committee also reviews arrangements by which employees of the Company may, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters. Pursuant to this, the Audit Committee has introduced a Whistle Blowing Policy where employees may raise improprieties to the Audit Committee Chairman in good faith, with the confidence that employees making such reports will be treated fairly and be protected from reprisal.

The Audit Committee met four times in 2010. Specific functions performed during the year included reviewing the scope of work and strategies of both the internal and external auditors, and the results arising therefrom, including their evaluation of the system of internal controls. The Audit Committee also reviewed the assistance given by the Company's officers to the auditors. The financial statements of the Group and the Company were reviewed by the Audit Committee prior to the submission to the Board of Directors of the Company for adoption. The Audit Committee also met with the internal and external auditors, without the presence of management, to discuss issues of concern to them.

AUDIT COMMITTEE *(cont'd)*
The Audit Committee has, in accordance with Chapter 9 of the Listing Manual of the SGX-ST, reviewed the requirements for approval and disclosure of interested person transactions, reviewed the procedures set by the Group and the Company to identify and report and where necessary, seek approval for interested person transactions and, with the assistance of the internal auditors, reviewed interested person transactions.

The Audit Committee also undertook quarterly reviews of all non-audit services provided by KPMG LLP and its member firms and was satisfied that they did not affect their independence as external auditors of the Company.

The Audit Committee has recommended to the Board of Directors that the auditors, KPMG LLP, be nominated for re-appointment as auditors at the forthcoming Annual General Meeting of the Company.

AUDITORS
The auditors, KPMG LLP, have indicated their willingness to accept re-appointment.

On behalf of the Board of Directors

Hu Tsu Tau

DR HU TSU TAU
Director

LIEW MUN LEONG
Director

Singapore
28 February 2011

STATEMENT BY DIRECTORS

In our opinion:

(a) the financial statements set out on pages 122 to 215 are drawn up so as to give a true and fair view of the state of affairs of the Group and of the Company as at 31 December 2010, and of the results and changes in equity of the Group and of the Company, and of the cash flows of the Group for the year ended on that date in accordance with the provisions of the Singapore Companies Act, Chapter 50 and Singapore Financial Reporting Standards; and

(b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

The Board of Directors has, on the date of this statement, authorised these financial statements for issue.

On behalf of the Board of Directors

DR HU TSU TAU
Director

LIEW MUN LEONG
Director

Singapore
28 February 2011

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF CAPITALAND LIMITED

We have audited the accompanying financial statements of CapitaLand Limited (the "Company") and its subsidiaries (the "Group"), which comprise the balance sheets of the Group and the Company as at 31 December 2010, the income statements, statements of comprehensive income and statements of changes in equity of the Group and the Company and the statement of cash flows of the Group for the year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 122 to 215.

Management's responsibility for the financial statements
Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Singapore Companies Act, Chapter 50 (the "Act") and Singapore Financial Reporting Standards and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair profit and loss accounts and balance sheets and to maintain accountability of assets.

Auditors' responsibility
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion
In our opinion, the consolidated financial statements of the Group and the balance sheet, income statement, statement of comprehensive income and statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards to give a true and fair view of the state of affairs of the Group and of the Company as at 31 December 2010 and the results, changes in equity of the Group and the Company and cash flows of the Group for the year ended on that date.

Report on other legal and regulatory requirements
In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiaries incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

KPMG LLP

KPMG LLP
Public Accountants and
Certified Public Accountants

Singapore
28 February 2011

BALANCE SHEETS

AS AT 31 DECEMBER 2010

	Note	The Group 2010 $'000	The Group 2009 $'000	The Company 2010 $'000	The Company 2009 $'000
Non-Current Assets					
Property, Plant and Equipment	3	**1,049,407**	1,772,301	**8,164**	7,291
Intangible Assets	4	**459,605**	518,026	**147**	147
Investment Properties	5	**4,732,895**	5,058,507	**–**	–
Interests in Subsidiaries	6	**–**	–	**12,435,703**	12,258,126
Interests in Associates	7(a)	**8,249,142**	7,012,174	**–**	–
Interests in Joint Ventures	8(a)	**1,861,232**	1,672,056	**–**	–
Other Financial Assets	9(a)	**308,205**	233,359	**–**	–
Deferred Tax Assets	10	**87,686**	81,250	**3,135**	5,461
		16,748,172	16,347,673	**12,447,149**	12,271,025
Current Assets					
Development Properties for Sale and Stock	11	**5,419,350**	3,590,270	**–**	–
Trade and Other Receivables	12	**2,139,625**	1,301,916	**1,166,526**	87,847
Other Financial Assets	9(b)	**203,009**	196,437	**–**	–
Cash and Cash Equivalents	15	**7,190,064**	8,729,718	**53,954**	2,356,466
		14,952,048	13,818,341	**1,220,480**	2,444,313
Less: Current Liabilities					
Trade and Other Payables	16	**1,694,385**	1,880,017	**195,367**	1,242,589
Short Term Bank Borrowings	18	**852,255**	992,974	**–**	–
Current Portion of Debt Securities	19	**909,519**	400,776	**–**	–
Current Portion of Finance Leases	20	**–**	3,836	**–**	–
Current Tax Payable		**496,405**	457,374	**5,424**	10,515
		3,952,564	3,734,977	**200,791**	1,253,104
Net Current Assets		**10,999,484**	10,083,364	**1,019,689**	1,191,209
Less: Non-Current Liabilities					
Long Term Bank Borrowings	18	**3,798,410**	3,951,770	**–**	–
Debt Securities	19	**4,797,859**	4,929,453	**3,379,883**	3,305,801
Finance Leases	20	**–**	33,745	**–**	–
Deferred Tax Liabilities	10	**593,238**	173,756	**55,176**	65,986
Other Non-Current Liabilities	21	**540,687**	462,550	**32,373**	44,597
		9,730,194	9,551,274	**3,467,432**	3,416,384
Net Assets		**18,017,462**	16,879,763	**9,999,406**	10,045,850
Representing:					
Share Capital	23	**6,276,504**	6,229,227	**6,276,504**	6,229,227
Revenue Reserves		**7,652,261**	6,839,047	**3,301,550**	3,396,949
Other Reserves	24	**241,886**	339,999	**421,352**	419,674
Equity attributable to Owners of the Company		**14,170,651**	13,408,273	**9,999,406**	10,045,850
Non-controlling Interests		**3,846,811**	3,471,490	**–**	–
Total Equity		**18,017,462**	16,879,763	**9,999,406**	10,045,850

The accompanying notes form an integral part of these financial statements.

INCOME STATEMENTS

YEAR ENDED 31 DECEMBER 2010

	Note	The Group 2010 $'000	The Group 2009 $'000	The Company 2010 $'000	The Company 2009 $'000
Revenue	26	**3,382,742**	2,957,359	**286,565**	510,348
Cost of sales		**(2,106,384)**	(1,931,165)	**–**	–
Gross profit		**1,276,358**	1,026,194	**286,565**	510,348
Other operating income	27(a)	**892,687**	1,238,399	**320,579**	1,284,775
Administrative expenses		**(488,279)**	(412,649)	**(79,245)**	(149,068)
Other operating expenses		**(117,421)**	(572,121)	**(94)**	(115,509)
Profit from operations		**1,563,345**	1,279,823	**527,805**	1,530,546
Finance costs	27(d)	**(448,183)**	(453,922)	**(183,895)**	(144,796)
Share of results (net of tax) of:					
- associates		**499,357**	(197,961)	**–**	–
- joint ventures		**321,495**	467,156	**–**	–
		820,852	269,195	**–**	–
Profit before taxation	27	**1,936,014**	1,095,096	**343,910**	1,385,750
Taxation	28	**(265,907)**	(86,462)	**8,060**	(760)
Profit for the year		**1,670,107**	1,008,634	**351,970**	1,384,990
Attributable to:					
Owners of the Company		**1,273,139**	1,052,959	**351,970**	1,384,990
Non-controlling interests		**396,968**	(44,325)	**–**	–
Profit for the year		**1,670,107**	1,008,634	**351,970**	1,384,990
Basic earnings per share (cents)	29	**29.9**	26.2		
Diluted earnings per share (cents)	29	**29.2**	25.9		

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF COMPREHENSIVE INCOME

YEAR ENDED 31 DECEMBER 2010

	Note	The Group 2010 $'000	The Group 2009 $'000	The Company 2010 $'000	The Company 2009 $'000
Profit for the year		**1,670,107**	1,008,634	**351,970**	1,384,990
Other comprehensive income:					
Exchange differences arising from translation of foreign operations and foreign currency loans forming part of net investment in foreign operations		**(218,574)**	158,751	**–**	–
Change in fair value of available-for-sale investments		**19,730**	12,436	**–**	–
Effective portion of change in fair value of cash flow hedges		**33,674**	102,585	**–**	–
Other capital reserve		**–**	(132)	**–**	–
Share of other comprehensive income of associates and joint ventures		**15,762**	(27,522)	**–**	–
Total other comprehensive income for the year, net of income tax	25	**(149,408)**	246,118	**–**	–
Total comprehensive income for the year		**1,520,699**	1,254,752	**351,970**	1,384,990
Attributable to:					
Owners of the Company		**1,152,083**	1,056,899	**351,970**	1,384,990
Non-controlling interests		**368,616**	197,853	**–**	–
Total comprehensive income for the year		**1,520,699**	1,254,752	**351,970**	1,384,990

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF CHANGES IN EQUITY

YEAR ENDED 31 DECEMBER 2010

The Group	Share Capital $'000	Revenue Reserves $'000	Other Reserves $'000	Total $'000	Non-controlling Interests $'000	Total Equity $'000
At 1 January 2010	6,229,227	6,839,047	339,999	13,408,273	3,471,490	16,879,763
Total comprehensive income						
Profit for the year	–	1,273,139	–	1,273,139	396,968	1,670,107
Other comprehensive income						
Exchange differences arising from translation of foreign operations and foreign currency loans forming part of net investment in foreign operations	–	–	(189,549)	(189,549)	(29,025)	(218,574)
Change in fair value of available-for-sale investments	–	–	19,730	19,730	–	19,730
Effective portion of change in fair value of cash flow hedges	–	–	30,476	30,476	3,198	33,674
Share of other comprehensive income of associates and joint ventures	–	–	18,287	18,287	(2,525)	15,762
Total other comprehensive income, net of income tax	–	–	(121,056)	(121,056)	(28,352)	(149,408)
Total comprehensive income	–	1,273,139	(121,056)	1,152,083	368,616	1,520,699
Transactions with owners, recorded directly in equity						
Issue of shares	47,277	–	(25,110)	22,167	–	22,167
Dividends paid/payable	–	(447,369)	–	(447,369)	(103,656)	(551,025)
Share-based payments	–	–	32,150	32,150	2,006	34,156
Non-controlling interests contributions (net)	–	–	–	–	19,742	19,742
Changes in ownership interests in subsidiaries with a change in control	–	–	–	–	(33,786)	(33,786)
Changes in ownership interests in subsidiaries with no change in control	–	14,168	(2,204)	11,964	123,339	135,303
Share of reserves of associates and joint ventures	–	(6,745)	(1,737)	(8,482)	(877)	(9,359)
Others	–	(19,979)	19,844	(135)	(63)	(198)
Total transactions with owners	47,277	(459,925)	22,943	(389,705)	6,705	(383,000)
At 31 December 2010	6,276,504	7,652,261	241,886	14,170,651	3,846,811	18,017,462

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF CHANGES IN EQUITY

YEAR ENDED 31 DECEMBER 2010

The Group	Share Capital $'000	Revenue Reserves $'000	Other Reserves $'000	Total $'000	Non-controlling Interests $'000	Total Equity $'000
At 1 January 2009	4,396,144	5,423,671	861,874	10,681,689	1,306,113	11,987,802
Total comprehensive income						
Profit for the year	–	1,052,959	–	1,052,959	(44,325)	1,008,634
Other comprehensive income						
Exchange differences arising from translation of foreign operations and foreign currency loans forming part of net investment in foreign operations	–	–	(51,324)	(51,324)	210,075	158,751
Change in fair value of available-for-sale investments	–	–	12,436	12,436	–	12,436
Effective portion of change in fair value of cash flow hedges	–	–	67,281	67,281	35,304	102,585
Other capital reserve	–	–	(132)	(132)	–	(132)
Share of other comprehensive income of associates and joint ventures	–	–	(24,321)	(24,321)	(3,201)	(27,522)
Total other comprehensive income, net of income tax	–	–	3,940	3,940	242,178	246,118
Total comprehensive income	–	1,052,959	3,940	1,056,899	197,853	1,254,752
Transactions with owners, recorded directly in equity						
Rights issue	1,789,901	–	–	1,789,901	–	1,789,901
Issue of shares	43,182	–	(35,028)	8,154	–	8,154
Dividends paid/payable	–	(297,159)	–	(297,159)	(93,690)	(390,849)
Transfer between reserves	–	684,231	(684,231)	–	–	–
Equity portion of convertible bonds issued	–	–	173,767	173,767	–	173,767
Repurchase of convertible bonds	–	4,780	(16,462)	(11,682)	–	(11,682)
Share-based payments	–	–	23,892	23,892	225	24,117
Non-controlling interests contributions (net)	–	–	–	–	214,952	214,952
Changes in ownership interests in subsidiaries with a change in control	–	–	–	–	39,574	39,574
Changes in ownership interests in subsidiaries with no change in control	–	–	–	–	1,811,068	1,811,068
Share of other capital reserve of associates and a subsidiary	–	–	(18,153)	(18,153)	(4,609)	(22,762)
Others	–	(29,435)	30,400	965	4	969
Total transactions with owners	1,833,083	362,417	(525,815)	1,669,685	1,967,524	3,637,209
At 31 December 2009	6,229,227	6,839,047	339,999	13,408,273	3,471,490	16,879,763

The accompanying notes form an integral part of these financial statements.

The Company	Share Capital $'000	Revenue Reserves $'000	Capital Reserves $'000	Equity Compensation Reserve $'000	Total Equity $'000
At 1 January 2010	6,229,227	3,396,949	383,490	36,184	10,045,850
Total comprehensive income					
Profit for the year	–	351,970	–	–	351,970
Transactions with owners, recorded directly in equity					
Dividends paid	–	(447,369)	–	–	(447,369)
Issue of shares	47,277	–	–	(6,186)	41,091
Share-based payments	–	–	–	7,864	7,864
Total transactions with owners	47,277	(447,369)	–	1,678	(398,414)
At 31 December 2010	6,276,504	3,301,550	383,490	37,862	9,999,406
At 1 January 2009	4,396,144	1,617,293	213,212	41,592	6,268,241
Total comprehensive income					
Profit for the year	–	1,384,990	–	–	1,384,990
Transactions with owners, recorded directly in equity					
Dividends paid	–	(297,159)	–	–	(297,159)
Rights issue	1,789,901	–	–	–	1,789,901
Issue of shares	43,182	–	–	(10,151)	33,031
Equity portion of convertible bonds issued	–	–	189,240	–	189,240
Repurchase of convertible bonds	–	7,280	(18,962)	–	(11,682)
Share-based payments	–	–	–	4,743	4,743
Capital return by a subsidiary	–	684,545	–	–	684,545
Total transactions with owners	1,833,083	394,666	170,278	(5,408)	2,392,619
At 31 December 2009	6,229,227	3,396,949	383,490	36,184	10,045,850

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

YEAR ENDED 31 DECEMBER 2010

	2010 $'000	2009 $'000
Operating activities		
Profit after taxation	**1,670,107**	1,008,634
Adjustments for:		
Amortisation and impairment of intangible assets	**1,627**	56,565
Allowance/(Write back) for:		
- foreseeable losses	**30,848**	304,028
- doubtful receivables	**6,381**	15,361
- impairment on financial assets	**10,936**	50,953
- impairment on interests in associates and joint ventures	**(5,413)**	55,254
- impairment on property, plant and equipment	**23,891**	1,826
Gain from bargain purchase	**(11,580)**	(2,958)
Share-based expenses	**39,128**	28,727
Changes in fair value of financial instruments	**(19,652)**	34,210
Depreciation of property, plant and equipment	**57,998**	61,466
Gain on disposal of property, plant and equipment	**(12,077)**	(23,576)
Gain on disposal of investment properties	**(13,845)**	(19,140)
Net fair value (gain)/loss from investment properties	**(394,585)**	225,932
Gain on disposal/liquidation/dilution of equity investments and other financial assets	**(254,523)**	(981,681)
Share of results of associates and joint ventures	**(820,852)**	(269,195)
Provision for fidelity losses	**7,021**	–
Accretion of deferred income	**(9,209)**	895
Interest expense	**448,183**	453,922
Interest income	**(83,027)**	(76,550)
Tax expense	**265,907**	86,462
	(732,843)	2,501
Operating profit before working capital changes	**937,264**	1,011,135
Decrease/(Increase) in working capital:		
Trade and other receivables	**(324,723)**	172,784
Development properties for sale	**600,349**	(109,362)
Trade and other payables	**(131,430)**	(195,636)
Other financial assets	**–**	58,804
Restricted bank deposits	**(2,729)**	–
Changes in working capital	**141,467**	(73,410)
Cash generated from operations	**1,078,731**	937,725
Income tax paid	**(176,490)**	(61,662)
Net cash generated from operating activities carried down	**902,241**	876,063

The accompanying notes form an integral part of these financial statements.

	Note	2010 $'000	2009 $'000
Net cash generated from operating activities brought forward		**902,241**	876,063
Investing activities			
Proceeds from disposal of property, plant and equipment		**110,286**	82,592
Purchase of property, plant and equipment		**(88,310)**	(205,774)
Investments in associates and joint ventures		**(215,657)**	(1,174,234)
(Advance to)/repayment from investee companies and other receivables		**(95,462)**	34,277
Prepayment for acquisition of an investment property		**(18,631)**	–
Deposits for new investments		**(135,933)**	–
Acquisition of investment properties		**(315,776)**	(269,831)
Proceeds from disposal of investment properties		**1,001,467**	238,903
Proceeds from disposal of other financial assets		**10,360**	132,233
Dividends received from associates and joint ventures		**247,839**	319,069
Acquisitions of subsidiaries, net of cash acquired	31(b)	**(3,034,955)**	(60,051)
Disposals of subsidiaries, net of cash disposed off	31(d)	**692,208**	509,051
Proceeds from public offering of a subsidiary		**–**	2,763,112
Acquisition of remaining interests in subsidiaries		**–**	(21,786)
Transaction costs for public offering of a subsidiary		**(18,932)**	–
Interest income received		**44,682**	33,159
Net cash (used in)/generated from investing activities		**(1,816,814)**	2,380,720
Financing activities			
Proceeds from issue of shares under options		**22,155**	8,154
Proceeds from rights issue		**–**	1,789,655
Borrowing from non-controlling interests		**18,739**	20,382
Contributions from non-controlling interests		**19,742**	203,634
Proceeds from disposal of interests in subsidiaries with no change in control		**150,412**	–
Repayment of amount owing from sales of future receivables		**–**	(234,279)
Proceeds from bank borrowings		**3,184,232**	2,578,312
Repayment of bank borrowings		**(3,288,517)**	(3,114,737)
Proceeds from issue of debt securities		**700,000**	1,450,000
Repayment of debt securities		**(404,438)**	(548,553)
Repayment of finance lease payables		**(2,387)**	(4,509)
Dividends paid to non-controlling interests		**(104,366)**	(83,037)
Dividends paid to shareholders		**(447,369)**	(297,159)
Interest expense paid		**(438,608)**	(495,552)
Net cash (used in)/generated from financing activities		**(590,405)**	1,272,311
Net (decrease)/increase in cash and cash equivalents		**(1,504,978)**	4,529,094
Cash and cash equivalents at beginning of the year		**8,729,718**	4,228,405
Effect of exchange rate changes on cash balances held in foreign currencies		**(37,405)**	(27,781)
Cash and cash equivalents at end of the year	15	**7,187,335**	8,729,718

Significant non-cash transaction:

In 2010, the Group disposed off three investment properties to an associate, CapitaMalls Malaysia Trust ("CMMT"), for a consideration of $889.7 million, of which $637.5 million was settled by cash and the balance was settled by way of issuance of 563.5 million units in CMMT.

The accompanying notes form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

These notes form an integral part of the financial statements.

The financial statements were authorised for issue by the Board of Directors on 28 February 2011.

1 DOMICILE AND ACTIVITIES

CapitaLand Limited (the "Company") is incorporated in the Republic of Singapore and has its registered office at 168 Robinson Road, #30-01, Capital Tower, Singapore 068912.

The principal activities of the Company during the financial year are those relating to investment holding and consultancy services as well as the corporate headquarters which gives direction, provides management support services and integrates the activities of its subsidiaries.

The principal activities of the significant subsidiaries are those relating to investment holding, real estate development, investment in real estate financial products and real estate assets, investment advisory and management services as well as management of serviced residences.

The consolidated financial statements relate to the Company and its subsidiaries (the "Group") and the Group's interests in associates and joint ventures.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

The financial statements have been prepared in accordance with the Singapore Financial Reporting Standards ("FRS").

The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.

These financial statements are presented in Singapore Dollars, which is the Company's functional currency. All financial information presented in Singapore Dollars have been rounded to the nearest thousand, unless otherwise stated.

The preparation of the financial statements in conformity with FRSs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the financial statements are described in the following notes:

Note 2(m) – classification of leases
Note 2(p) – recognition of deferred tax assets
Note 36 – contingencies

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are included in the following notes:

Note 2(n) – estimation of the percentage of completion of the projects, attributable profits for development properties for sale and allowance for foreseeable losses
Note 3 – measurement of recoverable amounts of property, plant and equipment
Note 4 – assumptions of recoverable amounts relating to goodwill impairment
Note 5 – valuation of investment properties.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(cont'd)*

(a) Basis of preparation *(cont'd)*

Note 21 – provisions
Note 22 – measurement of share-based payments
Note 32 – valuation of assets, liabilities and contingent liabilities acquired in business combinations
Note 33 – valuation of financial instruments.

On adoption of new/revised FRSs effective from 1 January 2010, the Group has changed its accounting policies in the following areas:

The Group has applied FRS 103 *Business Combinations* (2009) in its accounting for business combinations. Business combinations are now accounted for using the acquisition method as at the acquisition date (see note 2(b)(i)). Previously, business combinations were accounted for under the purchase method. In the purchase method, the cost of an acquisition was measured at the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition; and the excess of the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition was credited to the profit or loss in the period of acquisition. For business acquisitions that were achieved in stages, any existing equity interests in the acquiree were not re-measured to their fair value. Contingent consideration was recognised as an adjustment to the cost of acquisition only when it was probable and can be measured reliably.

The Group has also applied FRS 27 *Consolidated and Separate Financial Statements* (2009) in accounting for transaction with non-controlling interests (see note 2(b)(ii) and 2(e)(i)). Changes in the Group's interest in subsidiaries that do not result in a loss of control are accounted for as equity transactions. When the Group losses control of a subsidiary, any interest retained in the former subsidiary will be recorded at fair value with the re-measurement gain or loss recognised in the profit or loss.

The above changes in accounting policies have been applied prospectively and had the following impact on the financial statements:

	The Group Increase/(Decrease) 2010 $'000
Impact to income statement for the year ended 31 December (net of tax and non-controlling interests):	
Re-measurement gain of investments retained in former subsidiaries to their fair values	78,250
Acquisition-related costs	(5,175)
Gain arising from changes in ownership interests in subsidiaries with no change in control now recognised in equity	(14,168)
Profit attributable to the owners of the Company	58,907
Impact to earnings per share:	
Increase in basic earnings per share (cents)	1.4
Increase in basic earnings per share (cents)	1.3

Except for the above changes, the accounting policies set out below have been applied consistently by the Group to all periods presented in these financial statements and have been applied consistently by the entities in the Group.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(cont'd)*

(b) Basis of consolidation

(i) Business combinations

Business combinations are accounted for using the acquisition method as at the acquisition date, which is the date on which control is transferred to the Group. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, the Group takes into consideration potential voting rights that are currently exercisable.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in the profit or loss.

Costs related to the acquisition, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

Any contingent consideration payable is recognised at fair value at the acquisition date. If the contingent consideration is classified as equity, it is not re-measured and settlement is accounted for within equity. Otherwise, subsequent changes to the fair value of the contingent consideration are recognised in the profit or loss.

The Group elects on a transaction-by-transaction basis whether to measure non-controlling interests at fair value, or at their proportionate share of the recognised amount of the identifiable net assets of the acquiree, at the acquisition date. If the business combination is achieved in stages, the Group's previously held equity interest in the acquiree is re-measured to fair value at each acquisition date and any changes are taken to the profit or loss.

From 1 January 2004 to 31 December 2009, business combinations are accounted for under the purchase method. The cost of an acquisition is measured at the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition.

For acquisition of subsidiaries prior to 1 January 2004 which previously met the criteria for merger of businesses such that the assets and liabilities and results were accounted for under the pooling of interests method, the classification and accounting treatment of these business combinations have not been reconsidered or restated in preparing the Group's financial statements.

(ii) Subsidiaries

Subsidiaries are entities controlled by the Group. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. Losses applicable to the non-controlling interest in a subsidiary are allocated to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Changes in the Group's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. Upon the loss of control of a subsidiary, the Group derecognises the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising from the loss of control is recognised in the profit or loss. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently, it is accounted for as an equity-accounted investee or as an available-for-sale financial asset depending on the level of influence retained.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(cont'd)*

(b) Basis of consolidation *(cont'd)*

(iii) Associates and joint ventures

Associates are those entities in which the Group has significant influence, but not control, over their financial and operating policies. Significant influence is presumed to exist when the Group holds between 20% and 50% of the voting power of another entity. Joint ventures are entities (including unincorporated or incorporated companies, partnerships and trusts) over whose activities the Group has joint control, established by contractual agreement and requiring unanimous consent for strategic financial and operating decisions.

Associates and joint ventures (collectively referred to as "equity-accounted investees") are accounted for using the equity method and are recognised initially at cost. The Group's investments in equity-accounted investees include goodwill identified on acquisition, net of any accumulated impairment losses. The consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of the equity-accounted investees, after adjustments to align the accounting policies of the equity-accounted investees with those of the Group, from the date that significant influence or joint control commences until the date that significant influence or joint control ceases.

When the Group's share of losses exceeds its interest in an equity-accounted investee, the carrying amount of that interest is stated at zero and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the investee.

(iv) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with associates and joint ventures are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(v) Accounting for subsidiaries, associates and joint ventures by the Company

Investments in subsidiaries, associates and joint ventures are stated in the Company's balance sheet at cost less accumulated impairment losses.

(c) Foreign currencies

Foreign currency transactions

Items included in the financial statements of each entity in the Group are measured using the currency that best reflects the economic substance of the underlying events and circumstances relevant to that entity (the "functional currency").

Transactions in foreign currencies are translated to the respective functional currencies of the Group's entities at the exchange rate at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the end of the reporting period are retranslated to the functional currency at the exchange rate prevailing at that reporting date. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date on which the fair value was determined.

Foreign currency differences arising from retranslation are recognised in the profit or loss, except for differences arising from the retranslation of monetary items that in substance form part of the Group's net investment in a foreign operation, available-for-sale equity instruments and financial liabilities designated as hedges of net investment in a foreign operation (see note 2(g)) or qualifying cash flow hedges, which are recognised in other comprehensive income.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(cont'd)*

(c) Foreign currencies *(cont'd)*

Foreign operations

The assets and liabilities of foreign operations are translated to Singapore Dollars at exchange rates prevailing at the end of the reporting period. The income and expenses of foreign operations are translated to Singapore Dollars at exchange rates prevailing at the dates of the transactions. Goodwill and fair value adjustments arising from the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

Foreign currency differences are recognised in other comprehensive income, and presented in the foreign currency translation reserve in equity. However, if the operation is not a wholly-owned subsidiary, then the relevant proportionate share of the translation difference is allocated to the non-controlling interests. When a foreign operation is disposed off such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is transferred to the profit or loss as part of the gain or loss on disposal. When the Group disposes off only part of its interest in a subsidiary that includes a foreign operation while retaining control, the relevant proportion of the cumulative amount is reattributed to non-controlling interests. When the Group disposes off only part of its investment in an associate or joint venture that includes a foreign operation while retaining significant influence or joint control, the relevant proportion of the cumulative amount is transferred to the profit or loss.

Net investment in a foreign operation

Exchange differences arising from monetary items that in substance form part of the Group entity's net investment in a foreign operation are recognised in the respective entity's profit or loss. Such exchange differences are reclassified to equity in the consolidated financial statements. When the foreign operation is disposed off, the cumulative amount in equity is transferred to the profit or loss.

(d) Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset.

Subsequent expenditure relating to property, plant and equipment that has already been recognised is added to the carrying amount of the asset when it is probable that future economic benefits, in excess of the originally assessed standard of performance of the existing asset, will flow to the Group. All other subsequent expenditure is recognised as an expense in the period in which it is incurred.

Depreciation on property, plant and equipment is recognised in the profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment as follows:

Leasehold land and buildings (excluding serviced residence properties)	Remaining lease period ranging from 9 years to 35 years
Hospitality plant, machinery, improvements, furniture, fittings and equipment	1 to 10 years
Plant, machinery and improvements	3 to 10 years
Motor vehicles	5 years
Furniture, fittings and equipment	2 to 5 years

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(cont'd)*

(d) Property, plant and equipment *(cont'd)*

For serviced residence properties where the residual value at the end of the intended holding period is lower than the carrying amount, the difference in value is depreciated over the Group's intended holding period. No depreciation is recognised where the residual value is higher than the carrying amount. Based on historical trends and past experience, the intended holding period (the period from the date of commencement of serviced residence operations to the date of expected strategic divestment of the properties) ranges from three to five years.

Residual values of the properties at the end of the intended holding period are determined based on annual independent professional valuation. Residual value is the estimated amount that the Group would obtain from the disposal of a property if the property is already of the age and in the condition expected at the date when the Group has the intention to dispose that property.

Assets under construction are stated at cost and are not depreciated. Expenditure relating to assets under construction (including borrowing costs) are capitalised when incurred. Depreciation will commence when the development is completed.

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

(e) Intangible assets

(i) Goodwill

Acquisition on or after 1 January 2010

For business combinations on or after 1 January 2010, the Group measures goodwill as at acquisition date based on the fair value of the consideration transferred (including the fair value of any previously-held equity interest in the acquiree) and the recognised amount of any non-controlling interests in the acquiree, less the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed. When the amount is negative, a bargain purchase gain is recognised in the profit or loss. Goodwill is subsequently measured at cost less accumulated impairment losses.

Goodwill arising from the acquisition of subsidiaries is presented in intangible assets. Goodwill arising from the acquisition of associates and joint ventures is presented together with interests in associates and joint ventures.

Acquisition on or after 1 January 2004 up to 31 December 2009

Goodwill is measured at cost less accumulated impairment losses. Goodwill is tested for impairment as described in note 2(j). Negative goodwill is credited to profit or loss in the period of the acquisition.

Acquisition prior to 1 January 2004

From 1 January 2001 to 31 December 2003, goodwill was stated at cost from the date of initial recognition and amortised over its estimated useful life of 20 years. On 1 January 2004, the Group discontinued the amortisation of goodwill. The remaining goodwill balance is subject to testing for impairment (see note 2(j)). Negative goodwill was derecognised by crediting revenue reserves on 1 January 2004.

Prior to 1 January 2001, goodwill and negative goodwill on acquisitions were written off against revenue reserves in the year of acquisition.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(cont'd)*

(e) Intangible assets *(cont'd)*

(i) Goodwill *(cont'd)*

Acquisition of non-controlling interests

From 1 January 2010, acquisitions of non-controlling interests are accounted for as transactions with owners in their capacity as owners and therefore no goodwill is recognised. Previously, goodwill arising on the acquisition of non-controlling interests in a subsidiary has been recognised, and represented the excess of the cost of the additional investment over the carrying amount of the interest in the net assets acquired at the date of the transaction.

(ii) Other intangible assets

Other intangible assets with finite useful lives are measured at cost less accumulated amortisation and impairment losses. They are amortised in the profit or loss on a straight-line basis over their estimated useful lives of one to 10 years, from the date on which they are available for use.

Other intangible assets with indefinite useful lives are not amortised and are measured at cost less impairment losses.

(f) Investment properties and properties under development

Investment properties are properties held either to earn rental or for capital appreciation or both. Properties under development are properties being constructed or developed for future use as investment properties. Investment properties and properties under development are initially recognised at cost, including transaction costs, and subsequently at fair value with any change therein recognised in the profit or loss. The fair value is determined based on internal valuation or independent professional valuation. Independent professional valuation is obtained at least once every three years.

When an investment property or property under development is disposed off, the resulting gain or loss recognised in the profit or loss is the difference between the net disposal proceed and the carrying amount of the property.

(g) Financial instruments

(i) Non-derivative financial instruments

Non-derivative financial instruments comprise investments in equity and debt securities, trade and other receivables, cash and cash equivalents, financial liabilities and trade and other payables.

Non-derivative financial instruments are recognised initially at fair value plus, for instruments not at fair value through profit or loss, any directly attributable transaction costs. Subsequent to initial recognition, non-derivative financial instruments are measured as described below.

A financial instrument is recognised if the Group becomes a party to the contractual provisions of the instrument. Financial assets are derecognised if the Group's contractual rights to the cash flows from the financial assets expire or if the Group transfers the financial assets to another party without retaining control or transfers substantially all the risks and rewards of the assets. Regular way purchases and sales of financial assets are accounted for at trade date, i.e., the date that the Group commits itself to purchase or sell the asset. Financial liabilities are derecognised if the Group's obligations specified in the contract expire or are discharged or cancelled.

Cash and cash equivalents comprise cash balances and bank deposits. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(cont'd)*

(g) Financial instruments *(cont'd)*

(i) Non-derivative financial instruments *(cont'd)*

Instruments at fair value through profit or loss

An instrument is classified as fair value through profit or loss if it is held for trading or is designated as such upon initial recognition. Financial instruments are designated as fair value through profit or loss if the Group manages such investments and makes purchase and sale decisions based on their fair value. Upon initial recognition, attributable transaction costs are recognised in the profit or loss when incurred. Financial instruments classified as fair value through profit or loss are measured at fair value, and changes therein are recognised in the profit or loss.

Available-for-sale financial assets

The Group's investments in equity securities and certain debt securities are classified as available-for-sale financial assets. Subsequent to initial recognition, they are measured at fair value and changes therein, other than for impairment losses (see note 2(g)(v)) and foreign exchange gains and losses on available-for-sale monetary items (see note 2(c)), are recognised directly in other comprehensive income and presented in the available-for-sale reserve in equity. When an investment is derecognised, the cumulative gain or loss in other comprehensive income is reclassified to the profit or loss.

Investments in equity securities whose fair value cannot be reliably measured are measured at cost less impairment loss.

Others

Other non-derivative financial instruments are categorised as loans and receivables or financial liabilities, which are measured at amortised cost using the effective interest method, less any impairment losses.

(ii) Derivative financial instruments and hedging activities

The Group holds derivative financial instruments to hedge its foreign currency and interest rate risk exposures. Embedded derivatives are separated from the host contract and accounted for separately if the economic characteristics and risks of the host contract and the embedded derivative are not closely related, a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative, and the combined instrument is not measured at fair value through profit or loss.

On initial designation of the derivative as the hedging instrument, the Group formally documents the relationship between the hedging instrument and hedged item, including the risk management objectives and strategy in undertaking the hedge transaction and the hedged risk, together with the methods that will be used to assess the effectiveness of the hedging relationship. The Group makes an assessment, both at the inception of the hedge relationship as well as on an ongoing basis, of whether the hedging instruments are expected to be "highly effective" in offsetting the changes in the fair value or cash flows of the respective hedged items attributable to the hedged risk, and whether the actual results of each hedge are within a range of 80%-125%. For a cash flow hedge of a forecast transaction, the transaction should be highly probable to occur and should present an exposure to variations in cash flows that could ultimately affect reported profit or loss.

Derivatives are recognised initially at fair value; attributable transaction costs are recognised in the profit or loss when incurred. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are accounted for as described below.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(cont'd)*

(g) Financial instruments *(cont'd)*

(ii) Derivative financial instruments and hedging activities *(cont'd)*

Cash flow hedges

Changes in the fair value of the derivative hedging instrument designated as a cash flow hedge are recognised directly in other comprehensive income and presented in the hedging reserve in equity to the extent that the hedge is effective. To the extent that the hedge is ineffective, changes in fair value are recognised in the profit or loss. If the hedging instrument no longer meets the criteria for hedge accounting, expires or is sold, terminated or exercised, hedge accounting is discontinued prospectively.

When the hedged item is a non-financial asset, the amount accumulated in equity is included in the carrying amount of the asset when the asset is recognised. In other cases, the amount accumulated in equity is reclassified to the profit or loss in the same period that the hedged item affects profit or loss.

Fair value hedges

Changes in the fair value of a derivative hedging instrument designated as a fair value hedge are recognised in the profit or loss. The hedged item is adjusted to reflect change in its fair value in respect of the risk being hedged, with any gain or loss being recognised in the profit or loss.

Hedge of net investment in a foreign operation

Foreign currency differences arising from the retranslation of a financial liability designated as a hedge of a net investment in a foreign operation are recognised in the profit or loss. On consolidation, such differences are recognised directly in other comprehensive income and presented in the foreign currency translation reserve in equity, to the extent that the hedge is effective. To the extent that the hedge is ineffective, such differences are recognised in the profit or loss. When the hedged net investment is disposed off, the cumulative amount in other comprehensive income is transferred to the profit or loss.

Separable embedded derivatives

Changes in the fair value of separated embedded derivatives are recognised immediately in the profit or loss.

Other non-trading derivatives

When a derivative financial instrument is not designated in a hedge relationship that qualifies for hedge accounting, all changes in its fair value are recognised immediately in the profit or loss.

(iii) Convertible bonds

Convertible bonds that can be converted into share capital where the number of shares issued does not vary with changes in the fair value of the bonds are accounted for as compound financial instruments. The gross proceeds are allocated to the equity and liability components, with the equity component being assigned the residual amount after deducting the fair value of the liability component from the fair value of the compound financial instrument.

Subsequent to initial recognition, the liability component of convertible bonds is measured at amortised cost using the effective interest method. The equity component of convertible bonds is not re-measured. When the conversion option is exercised, its carrying amount will be transferred to the share capital. When the conversion option lapses, its carrying amount will be transferred to revenue reserve.

When a convertible bond is being repurchased before its maturity date, the purchase consideration (including directly attributable costs, net of tax effects) are allocated to the liability and equity components of the instrument at the date of transaction. Any resulting gain or loss relating to the liability component is recognised in the profit or loss.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(cont'd)*

(g) Financial instruments *(cont'd)*

(iv) Financial guarantees

Financial guarantee contracts are classified as financial liabilities unless the Group or the Company has previously asserted explicitly that it regards such contracts as insurance contracts and accounted for them as such.

Financial guarantees classified as financial liabilities

Such financial guarantees are recognised initially at fair value and are classified as financial liabilities. Subsequent to initial measurement, the financial guarantees are stated at the higher of the initial fair value less cumulative amortisation and the amount that would be recognised if they were accounted for as contingent liabilities. When financial guarantees are terminated before their original expiry date, the carrying amount of the financial guarantees is transferred to the profit or loss.

Financial guarantees classified as insurance contracts

These financial guarantees are accounted for as insurance contracts. Provision is recognised based on the Group's or the Company's estimate of the ultimate cost of settling all claims incurred but unpaid at the end of the reporting period.

The provision is assessed by reviewing individual claims and tested for adequacy by comparing the amount recognised and the amount that would be required to settle the guarantee contract.

(v) Impairment of financial assets

A financial asset not carried at fair value through profit or loss is assessed at each reporting period to determine whether there is any objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

Significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar risk characteristics.

In assessing collective impairment, the Group uses historical trends of the probability of default, timing of recoveries and the amount of loss incurred, adjusted for management's judgement as to whether current economic and credit conditions are such that the actual losses are likely to be greater or lesser than that suggested by historical trends.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the original effective interest rate. Losses are recognised in the profit or loss and reflected as an allowance account against receivables. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

Impairment losses on available-for-sale financial assets are recognised by reclassifying the losses accumulated in the available-for-sale reserve in equity to profit or loss. The cumulative loss that is reclassified from equity to profit or loss is the difference between the acquisition cost, net of any principal repayment and amortisation, and the current fair value, less any impairment loss recognised previously in the profit or loss. Changes in impairment provision attributable to application of the effective interest method are reflected as a component of interest income.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(cont'd)*

(g) Financial instruments *(cont'd)*

(v) Impairment of financial assets *(cont'd)*

If, in a subsequent period, the fair value of an impaired available-for-sale debt security increases and the increase can be related objectively to an event occurring after the impairment loss was recognised in the profit or loss, then the impairment loss is reversed, with the amount of the reversal recognised in the profit or loss. However, any subsequent recovery in the fair value of an impaired available-for-sale equity security is recognised in other comprehensive income.

(h) Share capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of ordinary shares and options are recognised as a deduction from equity.

Where share capital recognised as equity is repurchased ("treasury shares"), the amount of the consideration paid, including directly attributable costs, net of any tax effects, is presented as a deduction from equity. Where such shares are subsequently reissued, sold or cancelled, the consideration received is recognised as a change in equity. No gain or loss is recognised in the profit or loss.

(i) Development properties for sale

Development properties for sale are stated at the lower of cost plus, where appropriate, a portion of the attributable profit, and estimated net realisable value, net of progress billings. Net realisable value represents the estimated selling price less costs to be incurred in selling the property.

The cost of properties under development comprises specifically identified costs, including acquisition costs, development expenditure, borrowing costs and other related expenditure. Borrowing costs payable on loans funding a development property are also capitalised, on a specific identification basis, as part of the cost of the development property until the completion of development.

(j) Impairment – non-financial assets

The carrying amounts of the Group's non-financial assets, other than investment properties, inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated. For goodwill, the recoverable amount is estimated at each reporting date, and as and when indicators of impairment are identified. An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit ("CGU") exceeds its estimated recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGU. Subject to an operating segment ceiling test, for the purposes of goodwill impairment testing, CGUs to which goodwill has been allocated are aggregated so that the level at which impairment is tested reflects the lowest level at which goodwill is monitored for internal reporting purposes. Goodwill acquired in a business combination is allocated to groups of CGU that are expected to benefit from the synergies of the combination.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(cont'd)*

(j) Impairment – non-financial assets *(cont'd)*

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amounts of the other assets in the unit (group of units) on a pro-rata basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Goodwill that forms part of the carrying amount of an investment in an associate is not recognised separately, and therefore is not tested for impairment separately. Instead, the entire amount of the investment in an associate is tested for impairment as a single asset when there is objective evidence that the investment in an associate may be impaired.

(k) Employee benefits

Short term employee benefits

All short term employee benefits, including accumulated compensated absences, are recognised in the period in which the employees render their services.

A provision is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Defined contribution plans

Contributions to post-employment benefits under defined contribution plans are recognised as an expense as incurred.

Long service leave

Liabilities for other employee entitlements which are not expected to be paid or settled within twelve months of the reporting date are accrued in respect of all employees at the present value of the future amounts expected to be paid based on a projected weighted average increase in wage and salary rates. Expected future payments are discounted using interest rates on relevant government securities with terms to maturity that match, as closely as possible, the estimated future cash outflows.

Share-based payments

For equity-settled share-based payment transactions, the fair value of the services received is recognised as an expense with a corresponding increase in equity over the vesting period during which the employees become unconditionally entitled to the equity instrument. The fair value of the services received is determined by reference to the fair value of the equity instrument granted at the grant date. At each reporting date, the number of equity instruments that are expected to be vested are estimated. The impact on the revision of original estimates is recognised as an expense and as a corresponding adjustment to equity over the remaining vesting period, unless the revision to original estimates is due to market conditions. No adjustment is made if the revision or actual outcome differs from the original estimate due to market conditions.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(cont'd)*

(k) Employee benefits *(cont'd)*

Share-based payments *(cont'd)*

For cash-settled share-based payment transactions, the fair value of the goods or services received is recognised as an expense with a corresponding increase in liability. The fair value of the services received is determined by reference to the fair value of the liability. Until the liability is settled, the fair value of the liability is re-measured at each reporting date and at the date of settlement, with any changes in fair value recognised for the period.

The proceeds received from the exercise of the equity instruments, net of any directly attributable transaction costs, are credited to share capital when the equity instruments are exercised.

(l) Provision

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

A provision for onerous contract is recognised when the expected benefits to be derived by the Group from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract.

(m) Leases

When entities within the Group are lessees of a finance lease

Leased assets in which the Group assumes substantially all the risks and rewards of ownership are classified as finance leases. Upon initial recognition, property, plant and equipment acquired through finance leases are capitalised at the lower of their fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset. Leased assets are depreciated over the shorter of the lease term and their useful lives. Lease payments are apportioned between finance expense and reduction of the lease liability. The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest over the remaining balance of the liability. Contingent lease payments are accounted for by revising the minimum lease payments over the remaining term of the lease when the lease adjustment is confirmed.

At inception, an arrangement that contains a lease is accounted for as such based on the terms and conditions even though the arrangement is not in the legal form of a lease.

When entities within the Group are lessees of an operating lease

Where the Group has the use of assets under operating leases, payments made under the leases are recognised on a straight-line basis over the term of the lease. Lease incentives received are recognised as an integral part of the total lease payments made. Contingent rentals are charged to the profit or loss in the accounting period in which they are incurred.

When entities within the Group are lessors of an operating lease

Assets subject to operating leases are included in either property, plant and equipment (see note 2(d)) or investment properties (see note 2(f)).

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(cont'd)*

(n) Revenue recognition

Rental income

Rental income receivable under operating leases is recognised on a straight-line basis over the term of the lease, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased asset. Lease incentives granted are recognised as an integral part of the total rental income to be received. Contingent rentals are recognised as income in the accounting period in which they are earned.

Development properties for sale

The Group recognises income on property development projects when the risks and rewards of ownership have been transferred to the buyer. In cases where the Group is obliged to perform any significant acts after the transfer of legal title or equitable interest, revenue is recognised as the acts are performed based on the percentage of completion method, which is an allowed alternative method under Recommended Accounting Practice 11 *Pre-completion Contracts for the Sale of Development Property* ("RAP 11") issued by the Institute of Certified Public Accountants of Singapore in October 2005. Under the percentage of completion method, profit is brought into profit or loss only in respect of sales procured and to the extent that such profit relates to the progress of construction work. The progress of construction work is measured by the proportion of the construction costs incurred to date to the estimated total construction costs for each project. Depending on the selling conditions associated with each development project, revenue is generally not recognised if the Group provides various guarantees and other financial support to the buyers ("continuing involvement") during the period of property development. Such continuing involvement by the Group would then require revenue to be deferred until the Group's continuing involvement ceases.

Revenue excludes goods and services or other sale taxes and is after deduction of any trade discounts. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due, associated costs or the possible return of unit sold.

Financial advisory and management fee

Financial advisory and management fee is recognised as and when services are rendered.

Dividends

Dividend income is recognised on the date that the Group's right to receive payment is established.

Interest income

Interest income is recognised as it accrues, using the effective interest method.

(o) Finance costs

Borrowing costs are recognised using the effective interest method, except to the extent that they are capitalised as being directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to be prepared for its intended use or sale.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(cont'd)*

(p) Income tax expense

Income tax expense comprises current and deferred tax. Income tax expense is recognised in the profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill, the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit, and differences relating to investments in subsidiaries and joint ventures to the extent that it is probable that they will not reverse in the foreseeable future. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted at the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(q) Earnings per share

The Group presents basic and diluted earnings per share ("EPS") data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to owners of the Company and the weighted average number of ordinary shares outstanding, for the effects of all dilutive potential ordinary shares, which comprise issued convertible bonds and share plans granted to employees.

(r) Operating segments

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker has been identified as the Council of Chief Executive Officers ("CEOs") that makes strategic resources allocation decisions. The Council of CEOs comprises the President & CEO, key management officers of the corporate office and CEOs of the strategic business units.

3 PROPERTY, PLANT AND EQUIPMENT

The Group	Serviced residence properties $'000	Leasehold land $'000	Other leasehold buildings $'000	Assets under construction $'000	Plant, machinery and improvements $'000	Motor vehicles $'000	Furniture, fittings and equipment $'000	Total $'000
Cost								
At 1 January 2010	1,502,438	841	23,276	190,024	72,336	2,831	272,373	2,064,119
Translation differences	(156,820)	(188)	(1,720)	754	(8,423)	(60)	(17,842)	(184,299)
Additions	34,914	–	235	37,474	6,262	370	41,686	120,941
Acquisition of subsidiaries	245,006	4,364	37,964	–	45,601	784	16,854	350,573
Disposal of subsidiaries	(872,801)	–	–	(114)	(18,667)	(168)	(21,988)	(913,738)
Disposals/Written off	(64,066)	–	(3,117)	–	(7,069)	(702)	(29,613)	(104,567)
Reclassification	164,777	–	(7,451)	(180,377)	291	–	22,760	–
At 31 December 2010	853,448	5,017	49,187	47,761	90,331	3,055	284,230	1,333,029
Accumulated depreciation and impairment loss								
At 1 January 2010	49,061	41	10,818	–	52,359	1,806	177,733	291,818
Translation differences	(4,740)	(3)	1,250	–	(1,538)	618	(3,402)	(7,815)
Depreciation for the year	9,061	133	2,845	–	10,375	339	35,245	57,998
Impairment loss	12,092	–	–	–	–	–	11,408	23,500
Disposal of subsidiaries	(22,571)	–	–	–	(12,244)	(88)	(11,277)	(46,180)
Disposals/Written off	–	–	(549)	–	(6,739)	(594)	(27,817)	(35,699)
Reclassification	(21,544)	–	–	–	(89)	–	21,633	–
At 31 December 2010	21,359	171	14,364	–	42,124	2,081	203,523	283,622
Carrying amount								
At 1 January 2010	1,453,377	800	12,458	190,024	19,977	1,025	94,640	1,772,301
At 31 December 2010	832,089	4,846	34,823	47,761	48,207	974	80,707	1,049,407
Cost								
At 1 January 2009	1,361,778	841	23,511	160,942	70,531	3,037	249,315	1,869,955
Translation differences	27,413	–	(373)	9,081	(5,550)	194	16,952	47,717
Additions	51,528	–	341	126,304	8,677	128	18,007	204,985
Acquisition of subsidiaries	24,965	–	–	35,425	–	55	105	60,550
Disposal of subsidiaries	(40,104)	–	–	–	(137)	(247)	(10,311)	(50,799)
Disposals/Written off	(53,879)	–	(203)	(775)	(1,418)	(336)	(11,678)	(68,289)
Reclassification	130,737	–	–	(140,953)	233	–	9,983	–
At 31 December 2009	1,502,438	841	23,276	190,024	72,336	2,831	272,373	2,064,119
Accumulated depreciation and impairment loss								
At 1 January 2009	37,585	24	8,989	–	47,428	1,909	140,642	236,577
Translation differences	73	–	(93)	–	(2,542)	(40)	10,699	8,097
Depreciation for the year	10,241	17	2,024	–	8,657	403	40,124	61,466
Impairment loss	1,161	–	83	–	–	–	–	1,244
Disposal of subsidiaries	–	–	–	–	(22)	(175)	(4,277)	(4,474)
Disposals/Written off	1	–	(185)	–	(1,162)	(291)	(9,455)	(11,092)
At 31 December 2009	49,061	41	10,818	–	52,359	1,806	177,733	291,818
Carrying amount								
At 1 January 2009	1,324,193	817	14,522	160,942	23,103	1,128	108,673	1,633,378
At 31 December 2009	1,453,377	800	12,458	190,024	19,977	1,025	94,640	1,772,301

3 PROPERTY, PLANT AND EQUIPMENT *(cont'd)*

(a) As at 31 December 2010, certain property, plant and equipment with carrying value totalling approximately $392.2 million (2009: $984.1 million) were mortgaged to banks to secure credit facilities for the Group (note 18).

(b) During the year, the Group recognised an impairment loss of $23.5 million relating to a serviced residence property in Australia and operating assets of certain leased properties in Europe. The impairment loss was determined based on value in use calculation using cash flow projections based on financial budgets and forecasts, and was recognised in "Other Operating Expenses" in the income statement.

(c) During the financial year, interest capitalised as cost of property, plant and equipment amounted to approximately $4.2 million (2009: Nil) (note 27(d)).

(d) There was no property, plant and equipment held under finance leases as at 31 December 2010 following the sale of certain subsidiaries by the Group during the year. As at 31 December 2009, the value of property, plant and equipment of the Group held under finance leases was $59.7 million.

The Company	Plant, machinery and improvements $'000	Furniture, fittings and equipment $'000	Motor vehicles $'000	Total $'000
Cost				
At 1 January 2010	11,418	11,879	431	23,728
Additions	327	5,303	11	5,641
Disposals/Written off	(167)	(441)	-	(608)
At 31 December 2010	11,578	16,741	442	28,761
Accumulated depreciation				
At 1 January 2010	8,161	7,845	431	16,437
Depreciation for the year	2,661	1,989	2	4,652
Disposals/Written off	(38)	(454)	-	(492)
At 31 December 2010	10,784	9,380	433	20,597
Carrying amount				
At 1 January 2010	3,257	4,034	–	7,291
At 31 December 2010	794	7,361	9	8,164

3 PROPERTY, PLANT AND EQUIPMENT *(cont'd)*

The Company	Plant, machinery and improvements $'000	Furniture, fittings and equipment $'000	Motor vehicles $'000	Total $'000
Cost				
At 1 January 2009	10,250	10,664	431	21,345
Additions	1,331	1,661	–	2,992
Disposals/Written off	(163)	(446)	–	(609)
At 31 December 2009	11,418	11,879	431	23,728
Accumulated depreciation				
At 1 January 2009	5,644	6,469	418	12,531
Depreciation for the year	2,645	1,646	13	4,304
Disposals/Written off	(128)	(270)	–	(398)
At 31 December 2009	8,161	7,845	431	16,437
Carrying amount				
At 1 January 2009	4,606	4,195	13	8,814
At 31 December 2009	3,257	4,034	–	7,291

4 INTANGIBLE ASSETS

The Group	Goodwill $'000	Others^ $'000	Total $'000
Cost			
At 1 January 2010	570,443	23,624	594,067
Additions	–	3,343	3,343
Disposals/Written off	(57,231)	(194)	(57,425)
Translation differences	(1,871)	(725)	(2,596)
At 31 December 2010	511,341	26,048	537,389
Accumulated amortisation			
At 1 January 2010	64,943	11,098	76,041
Amortisation for the year	–	1,627	1,627
Disposals/Written off	–	(185)	(185)
Translation differences	981	(680)	301
At 31 December 2010	65,924	11,860	77,784
Carrying amount			
At 1 January 2010	505,500	12,526	518,026
At 31 December 2010	445,417	14,188	459,605

^ *Other comprised trademarks, franchises, patents, licences and club memberships.*

4 INTANGIBLE ASSETS *(cont'd)*

The Group	Note	Goodwill $'000	Others^ $'000	Total $'000
Cost				
At 1 January 2009		585,125	23,974	609,099
Additions		–	72	72
Disposals/Written off		(16,195)	(746)	(16,941)
Translation differences		1,513	324	1,837
At 31 December 2009		570,443	23,624	594,067
Accumulated amortisation and impairment loss				
At 1 January 2009		9,942	9,546	19,488
Amortisation for the year		–	1,564	1,564
Impairment loss	27(c)(iii)	55,001	–	55,001
Write back		–	(6)	(6)
Disposals/Written off		–	(164)	(164)
Translation differences		–	158	158
At 31 December 2009		64,943	11,098	76,041
Carrying amount				
At 1 January 2009		575,183	14,428	589,611
At 31 December 2009		505,500	12,526	518,026

The Company	Goodwill $'000	Others^ $'000	Total $'000
Cost and carrying amount			
At 1 January 2009, 31 December 2009 and 31 December 2010	–	147	147

^ *Others comprised trademarks, franchises, patents, licences and club memberships.*

Impairment test for Goodwill

For the purpose of goodwill impairment testing, the aggregate carrying amount of goodwill allocated to each cash-generating unit ("CGU") as at 31 December are as follows:

	Terminal Growth Rate 2010 %	Terminal Growth Rate 2009 %	Discount Rate 2010 %	Discount Rate 2009 %	Carrying Value 2010 $'000	Carrying Value 2009 $'000
The Ascott Limited ("Ascott")	**0.8**	1.2	**6.4**	6.5	**445,417**	481,161
Serviced residences in Europe	**–**	2.0 to 2.5	**–**	8.2 to 11.3	**–**	24,339
Balance as at 31 December					**445,417**	505,500

The recoverable amount of the CGUs is determined based on value in use calculation. The value in use calculation is a discounted cash flow model using cash flow projections based on the most recent budgets and forecasts approved by management covering three years (2009: three to 10 years). Cash flows beyond these periods are extrapolated using the estimated terminal growth rates stated in the table above. The discount rate applied is the weighted average cost of capital from the relevant business segment. The key assumptions are those relating to expected changes in average room rates and occupancy and direct costs. The terminal growth rate used for each CGU does not exceed management's expectation of the long term average growth rate of the respective industry and country in which the CGU operates.

4 INTANGIBLE ASSETS *(cont'd)*

The Group believes that any reasonably possible changes in the above key assumptions applied are not likely to materially cause the recoverable amount to be lower than its carrying amount. The movement in goodwill during the year relates principally to the disposal of certain subsidiaries.

For the year ended 31 December 2009, an impairment charge of $55.0 million was taken in respect of the Ascott CGU. This impairment charge was included under "Other Operating Expenses" in the income statement.

5 INVESTMENT PROPERTIES

		The Group	
	Note	2010 $'000	2009 $'000
At 1 January		**5,058,507**	4,848,784
Acquisition of subsidiaries	31(b)	**1,263,170**	–
Disposal of subsidiaries	31(d)	**(1,052,291)**	(403,017)
Additions		**336,243**	611,076
Disposals		**(1,216,693)**	(219,358)
Reclassification to development properties for sale		**(39,505)**	–
Changes in fair value	27(a), (c)(iii)	**394,585**	(225,932)
Translation differences		**(11,121)**	446,954
At 31 December		**4,732,895**	5,058,507

(a) Investment properties, which include investment properties in the course of development are stated at fair value based on internal valuations or independent professional valuations. All the properties were independently valued during the year. The fair values are based on open market values, being the estimated amount for which a property could be exchanged on the date of the valuation between a willing buyer and a willing seller in an arm's length transaction wherein the parties had each acted knowledgeably and without compulsion. In determining the fair value, the valuers have used valuation techniques which involve certain estimates. The key assumptions used to determine the fair value of investment properties include market-corroborated capitalisation yield, terminal yield and discount rate. In relying on the valuation reports, management has exercised its judgement and is satisfied that the valuation methods and estimates are reflective of current market conditions.

The valuers have considered valuation techniques including the direct comparison method, capitalisation approach and/or discounted cash flows in arriving at the open market value as at the balance sheet date. The direct comparison method involves the analysis of comparable sales of similar properties and adjusting the sale prices to that reflective of the investment properties. The capitalisation approach capitalises an income stream into a present value using revenue multipliers or single-year capitalisation rates. The discounted cash flow method involves the estimation and projection of an income stream over a period and discounting the income stream with an internal rate of return to arrive at the market value.

(b) As at 31 December 2010, investment properties included $1,176.0 million (2009: $652.3 million) of properties under development.

(c) As at 31 December 2010, certain investment properties with carrying value of approximately $1,552.4 million (2009: $3,744.9 million) were mortgaged to banks to secure credit facilities for the Group (notes 18 and 19).

5 INVESTMENT PROPERTIES *(cont'd)*

(d) During the financial year, interest capitalised as cost of investment properties amounted to approximately $4.9 million (2009: $6.6 million) (note 27(d)).

(e) Investment properties of the Group are held mainly for use by tenants under operating leases. There was no non-cancellable lease as at 31 December 2010. In the previous year, certain leases contain an initial non-cancellable period of three to six years. Contingent rents, representing income based on certain sale achieved by tenants, recognised in the income statement during the year amounted to $4.8 million (2009: $4.6 million).

6 INTERESTS IN SUBSIDIARIES

	The Company 2010 $'000	2009 $'000
(a) Unquoted shares, at cost	**7,247,453**	7,138,412
Less:		
Allowance for impairment loss	**(113,700)**	(163,132)
	7,133,753	6,975,280
Add:		
Amounts owing by subsidiaries:		
Loan accounts		
- interest bearing	**3,674,750**	3,674,750
- interest free	**1,636,160**	1,626,145
Less: Allowance for doubtful debts	**(8,960)**	(18,049)
	5,301,950	5,282,846
	12,435,703	12,258,126

(i) The loans to subsidiaries form part of the Company's net investment in the subsidiaries. These loans are unsecured and settlement is neither planned nor likely to occur in the foreseeable future.

(ii) Movements in allowance for impairment loss are as follows:

	The Company 2010 $'000	2009 $'000
At 1 January	**(163,132)**	(47,764)
Allowance during the year	**(48,541)**	(115,368)
Allowance written back during the year	**97,973**	–
At 31 December	**(113,700)**	(163,132)

During the year, an allowance for impairment loss was recognised in respect of the Company's investments in certain subsidiaries amounting to $48.5 million (2009: $115.4 million) as a result of decline in market valuation of assets held through these subsidiaries, taking into account the general economic and operating environment in which the relevant subsidiaries operate in. The recoverable amount for the relevant subsidiaries was estimated based on the higher of the value in use calculation using cash flow projections based on financial budgets and forecasts covering three years period, or the fair value of the net assets as at balance sheet date. In respect of certain subsidiaries, a reversal of impairment amounting to $98.0 million was recognised during the year, as a result of an increase in recoverable amounts of these subsidiaries.

(iii) The movement in allowance for doubtful debts relates to provision written back during the year of $9.1 million (2009: provision made of $18.0 million).

(b) Details of the subsidiaries are set out in note 38.

7 ASSOCIATES

	The Group 2010 $'000	The Group 2009 $'000
(a) Interests in associates		
Investment in associates	**7,537,504**	6,534,701
Less:		
Allowance for impairment loss	**(48,473)**	(44,473)
	7,489,031	6,490,228
Add:		
Amounts owing by associates:		
Loan accounts		
- interest free	**435,112**	239,608
- interest bearing	**331,289**	289,288
	766,401	528,896
	8,255,432	7,019,124
Less:		
Allowance for doubtful receivables	**(6,290)**	(6,950)
	8,249,142	7,012,174

(i) Movements in allowance for impairment loss are as follows:

	Note	The Group 2010 $'000	The Group 2009 $'000
At 1 January		**(44,473)**	(3,490)
Allowance during the year	27(c)(iii)	**(4,000)**	(40,983)
At 31 December		**(48,473)**	(44,473)

During the year, allowance for impairment loss amounting to $4.0 million was made in respect of the Group's investments in Gulf Cooperation Council countries ("GCC") to reduce the carrying value of the investment to its recoverable amount. The recoverable amount for the investment in GCC was estimated based on the residual value method. In 2009, allowance for impairment loss amounting to $41.0 million was made in respect of the Group's investments in Malaysia and GCC.

(ii) The loans to associates form part of the Group's net investment in associates. These loans are unsecured and settlement is neither planned nor likely to occur in the foreseeable future.

(iii) Loan accounts include an amount of approximately $359.3 million (2009: $317.5 million) which is subordinated to the repayment of borrowings of certain associates.

(iv) The Group's share of the contingent liabilities of the associates is $271.7 million (2009: $43.7 million).

(v) The Group's investments in associates include investments in listed associates with a carrying amount of $4,427.7 million (2009: $3,780.0 million), for which the published price quotations are $4,612.4 million (2009: $3,578.9 million).

7 ASSOCIATES *(cont'd)*

	Note	The Group 2010 $'000	2009 $'000
(b) Amounts owing by/(to) associates:			
Current accounts (unsecured)			
- interest free (trade)		**41,484**	95,283
- interest free (non-trade)		**241,284**	246,775
- interest bearing (non-trade)		**276,836**	325,641
		559,604	667,699
Less:			
Allowance for doubtful receivables		**(6,330)**	(5,591)
	12	**553,274**	662,108
Current accounts (mainly non-trade and unsecured)			
- interest free		**(105,156)**	(227,870)
- interest bearing		**(1,586)**	(78,638)
	16	**(106,742)**	(306,508)

(c) Details of the associates are set out in note 39.

(d) The financial information of the associates, not adjusted for the percentage ownership held by the Group is as follows:

	The Group 2010 $'000	2009 $'000
Balance sheet		
Total assets	**40,604,614**	33,998,399
Total liabilities	**14,433,374**	14,871,218
Income statement		
Revenue	**3,638,021**	3,063,571
Profit/(Loss) after taxation	**2,185,280**	(870,392)

8 JOINT VENTURES

	The Group 2010 $'000	2009 $'000
(a) Interests in joint ventures		
Investment in joint ventures	**1,210,765**	1,006,636
Less:		
Allowance for impairment loss	**(13,004)**	(22,417)
	1,197,761	984,219
Amounts owing by joint ventures:		
Loan accounts		
- interest free	**217,641**	190,743
- interest bearing	**459,327**	509,193
	676,968	699,936
	1,874,729	1,684,155
Less:		
Allowance for doubtful receivables	**(13,497)**	(12,099)
	1,861,232	1,672,056

8 JOINT VENTURES *(cont'd)*

(a) Interests in joint ventures *(cont'd)*

(i) Movements in allowance for impairment loss are as follows:

	Note	The Group 2010 $'000	The Group 2009 $'000
At 1 January		**(22,417)**	(8,050)
Translation differences		**–**	(96)
Allowance during the year	27(c)(iii)	**–**	(14,271)
Allowance written back during the year	27(a)	**9,413**	–
At 31 December		**(13,004)**	(22,417)

(ii) The loans to joint ventures form part of the Group's net investment in joint ventures. These loans are unsecured and settlement is neither planned nor likely to occur in the foreseeable future.

(iii) Loan accounts include an amount of approximately $177.1 million (2009: $570.7 million) which is subordinated to the repayment of borrowings of certain joint ventures.

(b) Amounts owing by/(to) joint ventures:

	Note	The Group 2010 $'000	The Group 2009 $'000
Current accounts (unsecured)			
- interest free (trade)		**11,457**	16,771
- interest free (non-trade)		**167,220**	205,916
- interest bearing (non-trade)		**–**	694
		178,677	223,381
Less:			
Allowance for doubtful receivables		**(11,252)**	(9,044)
	12	**167,425**	214,337
Current accounts (unsecured)			
- interest free (mainly non-trade)		**(22,050)**	(20,135)
- interest bearing (non-trade)		**–**	(11)
	16	**(22,050)**	(20,146)

(c) Details of the joint ventures are set out in note 40.

(d) Movements in allowance for doubtful receivables in respect of the above loan and current accounts are as follows:

	The Group 2010 $'000	The Group 2009 $'000
At 1 January	**(21,143)**	(8,811)
Allowance during the year	**(4,500)**	(21,156)
Allowance written back during the year	**6**	8,796
Translation differences	**888**	28
At 31 December	**(24,749)**	(21,143)

8 JOINT VENTURES *(cont'd)*

(e) The Group's share of the joint ventures' assets, liabilities and results is as follows:

	The Group 2010 $'000	The Group 2009 $'000
Balance sheet		
Investment properties	**1,617,720**	1,556,170
Other non-current assets	**130,963**	112,789
	1,748,683	1,668,959
Current assets	**1,441,901**	1,965,616
Less:		
Current liabilities	**(436,191)**	(843,994)
Net current assets	**1,005,710**	1,121,622
	2,754,393	2,790,581
Less:		
Non-current liabilities	**(1,497,256)**	(1,671,203)
	1,257,137	1,119,378
Income statement		
Revenue	**733,583**	871,783
Expenses	**(461,228)**	(730,407)
Fair value gains on investment properties	**94,086**	378,589
Profit before taxation	**366,441**	519,965
Taxation	**(44,946)**	(52,809)
Profit after taxation	**321,495**	467,156

(f) The Group's share of the capital commitments of the joint ventures is $199.8 million (2009: $183.5 million).

(g) The Group's share of the contingent liabilities of the joint ventures is $41.8 million (2009: $70.8 million).

9 OTHER FINANCIAL ASSETS

	Note	The Group 2010 $'000	The Group 2009 $'000
(a) Non-current other financial assets			
Available-for-sale equity securities		**202,494**	193,156
Loans and receivables	(i),(ii)	**100,897**	39,634
Derivative assets		**4,814**	569
		308,205	233,359

9 OTHER FINANCIAL ASSETS *(cont'd)*

(a) Non-current other financial assets *(cont'd)*

(i) As at 31 December, loans and receivables include:

(a) accrued interest receivables of (i) $28.8 million (2009: $16.8 million) from an associate which bears interest at 3.38% per annum (2009: 3.80% per annum) and is due on 31 December 2014; and (ii) $8.8 million (2009: $5.4 million) from a joint venture which bears interest at 1.38% per annum (2009: 3.04% per annum) and is due after the Temporary Occupation Permit for the development property is obtained, which is expected to be in December 2013; and

(b) an amount of $42.9 million (2009: Nil) due from a third party which bears an effective interest at 5.4% per annum, is unsecured and repayable in June 2012, or such earlier date as mutually agreed.

(ii) As at 31 December 2009, loans and receivables amounting to $15.9 million were mortgaged to banks to secure credit facilities of the Group (notes 18 and 19).

(b) Current other financial assets

	The Group 2010 $'000	The Group 2009 $'000
Available-for-sale money market investment	**195,000**	195,000
Derivative assets	**8,009**	1,437
	203,009	196,437

10 DEFERRED TAXATION

The Group	At 1/1/2010 $'000	Recognised in profit or loss $'000	Equity $'000	Acquisition/ Disposal of subsidiaries $'000	Translation differences $'000	At 31/12/2010 $'000
Deferred tax liabilities						
Accelerated tax depreciation	25,117	7,873	–	(16,725)	(3,529)	12,736
Discounts on compound financial instruments	65,986	(10,810)	–	–	–	55,176
Accrued income and interest receivable	7,340	5,605	–	–	716	13,661
Capital allowances of assets in investment properties	9,851	283	–	–	(59)	10,075
Profits recognised on percentage of completion and fair value adjustments on initial recognition of development properties for sale	87,632	(14,387)	–	396,699	(22,752)	447,192
Fair value changes of investment properties	26,820	67,425	–	11,495	(10,048)	95,692
Unremitted earnings/ Deferred income	39,042	(12,852)	–	–	119	26,309
Derivative financial instruments	–	578	–	–	11	589
Others	10,389	10,394	1,482	1,998	(1,497)	22,766
Total	272,177	54,109	1,482	393,467	(37,039)	684,196

NOTES TO THE FINANCIAL STATEMENTS

10 DEFERRED TAXATION *(cont'd)*

The Group	At 1/1/2010 $'000	Recognised in profit or loss $'000	Equity $'000	Acquisition/ Disposal of subsidiaries $'000	Translation differences $'000	At 31/12/2010 $'000
Deferred tax assets						
Unutilised tax losses	(75,692)	(10,733)	–	8,038	3,487	(74,900)
Provisions and expenses	(75,214)	14,170	–	3,202	457	(57,385)
Deferred income	(15,528)	(2,028)	–	–	(185)	(17,741)
Derivative financial instruments	(3,609)	–	3,647	–	(38)	–
Fair value adjustments on initial recognition on development properties for sale	–	–	–	(24,652)	1,060	(23,592)
Others	(9,628)	1,783	–	–	2,819	(5,026)
Total	(179,671)	3,192	3,647	(13,412)	7,600	(178,644)

The Group	At 1/1/2009 $'000	Recognised in profit or loss $'000	Equity $'000	Acquisition/ Disposal of subsidiaries $'000	Translation differences $'000	At 31/12/2009 $'000
Deferred tax liabilities						
Accelerated tax depreciation	20,512	3,843	–	237	525	25,117
Discounts on compound financial instruments	39,995	(12,769)	38,760	–	–	65,986
Accrued income and interest receivable	9,837	(2,496)	–	–	(1)	7,340
Capital allowances of assets in investment properties	9,727	124	–	–	–	9,851
Profits recognised on percentage of completion of development properties for sale	34,806	47,137	–	–	5,689	87,632
Fair value changes of investment properties	39,273	29,623	–	(43,375)	1,299	26,820
Unremitted earnings/ Deferred income	26,580	5,403	–	–	7,059	39,042
Others	6,439	2,384	–	–	1,566	10,389
Total	187,169	73,249	38,760	(43,138)	16,137	272,177
Deferred tax assets						
Unutilised tax losses	(19,545)	(45,945)	–	–	(10,202)	(75,692)
Provisions and expenses	(46,595)	(21,221)	–	–	(7,398)	(75,214)
Deferred income	(13,141)	(2,911)	–	(15)	539	(15,528)
Derivative financial instruments	(34,905)	–	36,117	–	(4,821)	(3,609)
Others	(20,436)	10,346	–	–	462	(9,628)
Total	(134,622)	(59,731)	36,117	(15)	(21,420)	(179,671)

10 DEFERRED TAXATION *(cont'd)*

The Company	At 1/1/2010 $'000	Recognised in profit or loss $'000	Equity $'000	At 31/12/2010 $'000
Deferred tax liabilities				
Discounts on compound financial instruments	65,986	(10,810)	–	55,176
Deferred tax assets				
Provisions	(5,461)	2,326	–	(3,135)

The Company	At 1/1/2009 $'000	Recognised in profit or loss $'000	Equity $'000	At 31/12/2009 $'000
Deferred tax liabilities				
Discounts on compound financial instruments	39,995	(12,769)	38,760	65,986
Deferred tax assets				
Provisions	(9,854)	4,393	–	(5,461)

Deferred tax liabilities and assets are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred taxes relate to the same taxation authority.

	The Group		The Company	
	2010 $'000	2009 $'000	2010 $'000	2009 $'000
Deferred tax liabilities	**593,238**	173,756	**55,176**	65,986
Deferred tax assets	**(87,686)**	(81,250)	**(3,135)**	(5,461)
	505,552	92,506	**52,041**	60,525

Deferred tax assets have not been recognised in respect of the following:

	The Group	
	2010 $'000	2009 $'000
Deductible temporary differences	**118,232**	142,711
Tax losses	**254,334**	244,195
Unutilised capital allowances	**819**	686
	373,385	387,592

Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profits will be available against which the subsidiaries of the Group can utilise the benefits. The tax losses are subject to agreement by the tax authorities and compliance with tax regulations in the respective countries in which the subsidiaries operate. The deductible temporary differences do not expire under current tax legislation.

11 DEVELOPMENT PROPERTIES FOR SALE AND STOCK

		The Group 2010 $'000	The Group 2009 $'000
(a)	Properties in the course of development, at cost	**5,763,896**	3,854,973
	Less:		
	Allowance for foreseeable losses	**(47,693)**	(42,693)
		5,716,203	3,812,280
	Add:		
	Attributable profit	**283,181**	388,237
		5,999,384	4,200,517
	Less:		
	Progress billings	**(890,118)**	(799,414)
		5,109,266	3,401,103
(b)	Completed development properties, at cost	**309,764**	189,141
(c)	Consumable stock	**320**	26
	Total development properties for sale and stock	**5,419,350**	3,590,270

(d) During the financial year, the following amounts were capitalised as cost of development properties for sale:

	Note	The Group 2010 $'000	The Group 2009 $'000
Staff costs	27(b)	**52,119**	33,377
Interest and securitisation costs paid/payable	27(d)	**83,321**	74,179
Less:			
Interest received/receivable from project fixed deposit accounts	27(a)	**(259)**	(134)
		135,181	107,422

(e) As at 31 December 2010, development properties for sale amounting to approximately $1,069.5 million (2009: $1,158.3 million) were mortgaged to banks to secure credit facilities of the Group (notes 18 and 19).

(f) As at 31 December 2010, properties amounting to approximately $137.5 million (2009: $93.9 million) were acquired through unconditional exchange contracts with various land vendors. The related amount owing to land vendors is secured over the title of the properties being purchased (notes 16 and 21).

11 DEVELOPMENT PROPERTIES FOR SALE AND STOCK *(cont'd)*

(g) The Group's current policy of recognising revenue using the percentage of completion method on its development projects is an allowed alternative under RAP 11. If the Group had adopted the completion of construction method, the effects on the financial statements would have been as follows:

	The Group Increased/(Decreased) by	
	2010 $'000	**2009 $'000**
Balance Sheet:		
Development properties for sale as at 1 January	**(240,052)**	(72,754)
Development properties for sale as at 31 December	**(121,380)**	(240,052)
Interests in associates	**(57,575)**	(23,942)
Interests in joint ventures	**(3,872)**	907
Revenue reserves as at 1 January	**(228,125)**	(196,906)
Income Statement:		
Revenue	**(104,274)**	(166,619)
Profit attributable to owners of the Company	**45,321**	(31,219)

12 TRADE AND OTHER RECEIVABLES

		The Group		The Company	
	Note	**2010 $'000**	**2009 $'000**	**2010 $'000**	**2009 $'000**
Accrued receivables	(a)	**134,725**	57,413	**–**	–
Trade receivables	13	**285,194**	143,626	**20**	31
Deposits and other receivables	14	**891,558**	140,557	**278**	526
Amounts owing by:					
- subsidiaries	17	**–**	–	**1,163,057**	87,033
- associates	7(b)	**553,274**	662,108	**–**	–
- joint ventures	8(b)	**167,425**	214,337	**–**	–
- investees:					
- interest free		**1,789**	38	**–**	–
- interest bearing		**–**	2,003	**–**	–
- non-controlling interests (unsecured and interest free)		**–**	35,279	**–**	–
Loans and receivables	33(e)	**2,033,965**	1,255,361	**1,163,355**	87,590
Prepayments		**105,660**	46,555	**3,171**	257
		2,139,625	1,301,916	**1,166,526**	87,847

(a) In accordance with the Group's accounting policy, income is recognised based on the progress of construction work for development properties for sale. Upon receipt of Temporary Occupation Permit, the balance of sales consideration to be billed is included as accrued receivables.

(b) As at 31 December 2010, certain trade and other receivables amounting to approximately $1.8 million (2009: $224.3 million) were mortgaged to banks to secure credit facilities of the Group (notes 18 and 19).

13 TRADE RECEIVABLES

	Note	The Group 2010 $'000	The Group 2009 $'000	The Company 2010 $'000	The Company 2009 $'000
Trade receivables		**299,709**	154,281	**20**	31
Less:					
Allowance for doubtful receivables		**(14,515)**	(10,655)	**–**	–
	12	**285,194**	143,626	**20**	31

(a) The maximum exposure to credit risk for trade receivables at the reporting date (by Strategic Business Units) is:

	The Group 2010 $'000	The Group 2009 $'000
CapitaLand Residential Singapore	**33,629**	11,607
CapitaLand China Holdings	**6,065**	437
CapitaLand Commercial	**18,043**	15,931
The Ascott Limited	**42,936**	30,177
CapitaLand Financial	**49,254**	7,948
CapitaMalls Asia	**28,890**	24,910
Australand	**103,338**	48,950
Others	**3,039**	3,666
	285,194	143,626

(b) The ageing of trade receivables at the reporting date is:

The Group	Gross amount 2010 $'000	Allowances for doubtful receivables 2010 $'000	Gross amount 2009 $'000	Allowances for doubtful receivables 2009 $'000
Not past due	**240,426**	**–**	96,453	–
Past due 1 – 30 days	**20,550**	**(3,410)**	26,659	–
Past due 31 – 90 days	**15,426**	**(5,448)**	8,310	(4,717)
More than 90 days	**23,307**	**(5,657)**	22,859	(5,938)
	299,709	**(14,515)**	154,281	(10,655)

(c) The movements in allowances for doubtful receivables in respect of trade receivables during the year are as follows:

	The Group 2010 $'000	The Group 2009 $'000
At 1 January	**(10,655)**	(9,639)
Provision utilised	**464**	518
Provision during the year	**(4,255)**	(1,906)
Translation differences	**(69)**	372
At 31 December	**(14,515)**	(10,655)

Based on historical default rates, the Group believes that no allowance for doubtful debts is necessary in respect of the receivables not past due.

14 DEPOSITS AND OTHER RECEIVABLES

	Note	The Group 2010 $'000	The Group 2009 $'000	The Company 2010 $'000	The Company 2009 $'000
Deposits		**292,494**	29,337	**228**	61
Other receivables		**609,511**	116,473	**50**	465
Less:					
Allowance for doubtful receivables		**(17,823)**	(20,265)	**–**	–
		591,688	96,208	**50**	465
Tax recoverable		**7,376**	15,012	**–**	–
	12	**891,558**	140,557	**278**	526

Other receivables include staff loans, interest receivables, deferred sales consideration and other recoverables.

As at 31 December 2010, other receivables include consideration receivable of $399.9 million and loans of $50.8 million assigned to the buyers relating to the sale of a subsidiary.

Other than disclosed above, the Group believes that no additional allowance for doubtful debts is required in respect of the other receivables.

15 CASH AND CASH EQUIVALENTS

	Note	The Group 2010 $'000	The Group 2009 $'000	The Company 2010 $'000	The Company 2009 $'000
Fixed deposits		**5,629,566**	7,656,852	**52,647**	2,355,955
Cash at banks and in hand		**1,364,912**	975,722	**1,307**	511
Amounts held under "Project Account Rules – 1997 Ed"	(a)	**195,586**	97,144	**–**	–
Cash and cash equivalents		**7,190,064**	8,729,718	**53,954**	2,356,466
Restricted bank deposits		**(2,729)**	–		
Cash and cash equivalents in the statement of cash flows		**7,187,335**	8,729,718		

(a) The withdrawal from amounts held under "Project Account Rules – 1997 Ed" are restricted to payments for expenditure incurred on development projects.

(b) The Group's cash and cash equivalents are held mainly in Singapore Dollars, US Dollars, Australian Dollars, Euros, Chinese Renminbi, Hong Kong Dollars, Malaysian Ringgit and Vietnamese Dong. As at 31 December 2010, the effective interest rates for cash and cash equivalents ranged from 0% to 13.0% (2009: 0% to 10.4%) per annum.

16 TRADE AND OTHER PAYABLES

	Note	The Group 2010 $'000	The Group 2009 $'000	The Company 2010 $'000	The Company 2009 $'000
Trade payables		**115,021**	121,756	**2,239**	1,093
Accruals	(a)	**595,465**	530,968	**37,649**	34,965
Accrued development expenditure		**321,632**	209,535	**–**	–
Accrued capital expenditure	(b)	**107,065**	78,565	**–**	–
Other payables	(c)	**304,117**	366,884	**1,867**	22,623
Rental and other deposits		**29,413**	33,519	**3**	3
Derivative liabilities		**3,216**	40,539	**–**	–
Provisions	21(b)	**7,177**	8,995	**–**	–
Liability for employee benefits	22	**40,542**	46,272	**22,927**	32,677
Amounts owing to:					
- subsidiaries	17	**–**	–	**130,682**	1,151,228
- associates	7(b)	**106,742**	306,508	**–**	–
- joint ventures	8(b)	**22,050**	20,146	**–**	–
Non-controlling interests (unsecured):					
- interest free		**41,747**	116,127	**–**	–
- interest bearing		**198**	203	**–**	–
		1,694,385	1,880,017	**195,367**	1,242,589

(a) Accruals included accrued interest payable, accrued expenditure for property, plant and equipment purchases and accrued administrative expenses.

(b) Accrued capital expenditure relates to amounts owing by a subsidiary of the Group to land vendors under certain unconditional contracts entered into to purchase properties for future developments. The total acquisition cost of the properties has been included in development properties for sale and the amount payable is secured over the relevant development properties.

(c) Other payables included retention sums and amounts payable in connection with capital expenditure incurred.

17 AMOUNTS OWING BY/(TO) SUBSIDIARIES

	Note	The Company 2010 $'000	2009 $'000
Current			
Amounts owing by subsidiaries:			
- current accounts, mainly non-trade and interest bearing		**52,835**	35,115
- loan accounts			
- interest free		**988,374**	152,374
- interest bearing		**177,797**	–
		1,166,171	152,374
Less: Allowance for doubtful receivables		**(55,949)**	(100,456)
		1,110,222	51,918
	12	**1,163,057**	87,033
Amounts owing to subsidiaries:			
- current accounts, mainly non-trade and interest bearing		**(293)**	(1,137)
- current loan			
- interest free		**(130,389)**	(62,428)
- interest bearing		**–**	(1,087,663)
	16	**(130,682)**	(1,151,228)

(a) Movements in allowance for doubtful receivables are as follows:

	The Company 2010 $'000	2009 $'000
At 1 January	**100,456**	27,799
Allowance during the year	**–**	72,757
Allowance written back during the year	**(44,507)**	(100)
At 31 December	**55,949**	100,456

(b) All balances with subsidiaries are unsecured and repayable on demand.

18 BANK BORROWINGS

	The Group 2010 $'000	2009 $'000
Bank borrowings		
- secured	**1,276,512**	2,325,741
- unsecured	**3,374,153**	2,619,003
	4,650,665	4,944,744

18 BANK BORROWINGS *(cont'd)*

	The Group	
	2010 **$'000**	**2009** **$'000**
Repayable:		
Not later than 1 year	**852,255**	992,974
Between 1 and 2 years	**1,420,784**	1,762,539
Between 2 and 5 years	**2,061,522**	2,061,723
After 5 years	**316,104**	127,508
After 1 year	**3,798,410**	3,951,770
	4,650,665	4,944,744

(a) The Group's borrowings are denominated mainly in Singapore Dollars, US Dollars, Australian Dollars, Chinese Renminbi, Hong Kong Dollars and Vietnamese Dong. As at 31 December 2010, the effective interest rates for bank borrowings ranged from 0.63% to 16.00% (2009: 0.42% to 15.04%) per annum.

(b) Bank borrowings are secured by the following assets, details of which are disclosed in the respective notes to the financial statements:

(i) mortgages on the borrowing subsidiaries' property, plant and equipment, investment properties and development properties for sale; and

(ii) assignment of all rights, titles and benefits with respect to the properties mortgaged.

19 DEBT SECURITIES

Debt securities comprise fixed rate notes, floating rate notes, hybrid rate notes and bonds issued by the Company and subsidiaries in the Group.

	The Group		The Company	
	2010 **$'000**	**2009** **$'000**	**2010** **$'000**	**2009** **$'000**
Convertible bonds (unsecured)	**3,370,641**	3,294,681	**3,379,883**	3,305,801
Notes issued	**2,336,737**	2,035,548	**–**	–
	5,707,378	5,330,229	**3,379,883**	3,305,801
Secured notes	**339,551**	397,120	**–**	–
Unsecured notes and bonds	**5,367,827**	4,933,109	**3,379,883**	3,305,801
	5,707,378	5,330,229	**3,379,883**	3,305,801
Repayable:				
Not later than 1 year	**909,519**	400,776	**–**	–
Between 1 and 2 years	**300,000**	906,120	**–**	–
Between 2 and 5 years	**129,869**	429,835	**–**	–
After 5 years	**4,367,990**	3,593,498	**3,379,883**	3,305,801
After 1 year	**4,797,859**	4,929,453	**3,379,883**	3,305,801
	5,707,378	5,330,229	**3,379,883**	3,305,801

(a) As at 31 December 2010, the effective interest rates for debt securities ranged from 0.97% to 6.27% (2009: 1.31% to 4.78%) per annum.

(b) The repayment schedule for convertible bonds was based on its final maturity dates.

19 DEBT SECURITIES *(cont'd)*

(c) The Company has the following convertible bonds which remain outstanding as at 31 December 2010:

Date Issued	Aggregate Principal Amount Outstanding	Conversion Price	Interest Rate	Put Dates	Final Maturity Dates	Redemption Price
15 November 2006	$424.7 million	$6.01	2.1%	15 November 2013	15 November 2016	100%
20 June 2007	$1.0 billion	$11.5218	2.95%	20 June 2017 & 20 June 2019	20 June 2022	100%
5 March 2008	$1.05 billion	$7.1468	3.125%	5 March 2015	5 March 2018	109.998%
3 September 2009	$1.2 billion	$4.7275*	2.875%	–	3 September 2016	100%

* *The conversion price has been adjusted as a result of the payment of special dividend of $0.05 per issued ordinary share for the financial year ended 31 December 2009.*

(d) Secured debt securities

(i) A subsidary of the Group, Australand, issued Commercial Mortgage-backed Securities amounting to A$267.5 million (2009: A$267.5 million), equivalent to $339.6 million (2009: $336.3 million), maturing on 10 March 2011.

(ii) These notes are fully secured by a first ranking real property mortgage over specific investment properties. Details on assets pledged are disclosed in the respective notes to the financial statements.

(e) Unsecured debt securities

The holders of some of the debt securities have the option to have all or any of their notes purchased by the Group at their principal amounts on interest payment dates. Unless previously redeemed or purchased and cancelled, the debt securities are redeemable at the principal amounts on their respective maturity dates.

20 FINANCE LEASES

There was no outstanding obligation under finance leases as at 31 December 2010 following the sale of certain subsidiaries by the Group during the year. In 2009, the Group had obligations under finance leases that are repayable as follows:

	Principal $'000	Interest $'000	Lease Payments $'000
2009			
Repayable:			
Not later than 1 year	3,836	738	4,574
Between 1 and 5 years	17,199	2,085	19,284
After 5 years	16,546	681	17,227
After 1 year	33,745	2,766	36,511
	37,581	3,504	41,085

21 OTHER NON-CURRENT LIABILITIES

	Note	The Group 2010 $'000	The Group 2009 $'000	The Company 2010 $'000	The Company 2009 $'000
Amounts owing to non-controlling interests (unsecured)	(a)				
- interest free		**112,378**	20,927	**–**	–
- interest bearing		**157,919**	157,919	**–**	–
Liability for employee benefits	22	**39,941**	54,689	**32,373**	44,597
Derivative liabilities		**6,767**	23,491	**–**	–
Provisions	(b)	**175,322**	154,696	**–**	–
Customer deposits and other non-current payables	(c)	**47,929**	50,300	**–**	–
Deferred income	(d)	**431**	528	**–**	–
		540,687	462,550	**32,373**	44,597

(a) The amounts owing to non-controlling interests are not expected to be repaid in the next 12 months.

(b) During the year, provisions totalling $25.8 million (2009: $145.9 million) were made for the Group's exposure to the unavoidable costs of meeting its obligation under contractual agreements. Movements in the provisions are as follows:

	Note	The Group 2010 $'000	The Group 2009 $'000
At 1 January		**163,691**	35,654
Provision during the year	27(c)(iii)	**25,848**	145,924
Provision utilised		**(7,040)**	(17,887)
At 31 December		**182,499**	163,691
Current	16	**7,177**	8,995
Non-current		**175,322**	154,696
		182,499	163,691

(c) The other non-current payables include an amount of approximately $30.5 million (2009: $15.3 million), owing to land vendors on terms similar to those described in note 16(b).

(d) Deferred income represents a government grant received to fund the costs of an infrastructure in Singapore.

22 EMPLOYEE BENEFITS

	Note	The Group 2010 $'000	The Group 2009 $'000	The Company 2010 $'000	The Company 2009 $'000
Liability for short term accumulating compensated absences		**5,594**	3,120	**722**	212
Liability for long service leave entitlement		**5,359**	4,430	**–**	–
Liability for cash-settled share-based payments		**9,682**	11,403	**807**	845
Liability for staff incentive		**59,848**	82,008	**53,771**	76,217
		80,483	100,961	**55,300**	77,274
Current	16	**40,542**	46,272	**22,927**	32,677
Non-current	21	**39,941**	54,689	**32,373**	44,597
		80,483	100,961	**55,300**	77,274

(a) Long service leave

This liability relates principally to provision made by a foreign subsidiary in relation to employees' leave entitlement granted after certain qualifying periods based on duration of employees' services rendered.

(b) Staff incentive

This relates to staff incentive which is related to the achievement of the Group's financial performance and payable over a period of time.

(c) Equity compensation benefits

Share Plans of the Company

The CapitaLand Share Option Plan, the CapitaLand Performance Share Plan and the CapitaLand Restricted Stock Plan (collectively referred to as the "Existing Share Plans") were approved and adopted by the members of the Company at an Extraordinary General Meeting ("EGM") held on 16 November 2000.

A new CapitaLand PSP 2010 and CapitaLand RSP 2010 (together, the "New Share Plans") were approved by the members of the Company at the EGM held on 16 April 2010. These new plans are intended to replace the CapitaLand Performance Share Plan and the CapitaLand Restricted Stock Plan under the Existing Share Plans. The Company did not extend the duration of, or replace, the existing CapitaLand Share Option Plan. The Existing Share Plans were terminated following the adoption of the New Share Plans. However, all awards granted under the Existing Share Plans prior to its termination will continue to be valid and be subject to the terms and conditions of the Existing Share Plans.

22 EMPLOYEE BENEFITS *(cont'd)*

(c) Equity compensation benefits *(cont'd)*

CapitaLand Share Option Plan

The Company ceased to grant options under the CapitaLand Share Option Plan with effect from 2007. Statutory information regarding the CapitaLand Share Option Plan is set out below:

(i) The exercise price of the options is set either at:

- A price equal to the volume-weighted average price on the SGX-ST over the three consecutive trading days immediately preceding the grant of the option ("Market Price"), or such higher price as may be determined by the ERCC in its absolute discretion; or
- A discount not exceeding 20% of the Market Price in respect of that option.

(ii) The options vest between one year and four years from the grant date.

(iii) The options granted expire after five or 10 years from the dates of the grant.

Movements in the number of outstanding options and their related weighted average exercise prices are as follows:

	Weighted average exercise price 2010 $	**No. of options 2010 ('000)**	**Weighted average exercise price 2009 $**	**No. of options 2009 ('000)**
At 1 January	**2.78**	**18,707**	3.05	20,044
Additional options granted arising from modification	**–**	**–**	3.00	3,674
Forfeited/Expired	**2.87**	**(259)**	3.60	(826)
Exercised	**2.75**	**(8,048)**	1.95	(4,185)
At 31 December	**2.71**	**10,400**	2.78	18,707
Exercisable on 31 December	**2.71**	**10,400**	2.59	13,763

Options exercised in 2010 resulted in 8,048,400 (2009: 4,185,255) shares being issued at a weighted average market price of $3.93 (2009: $3.54) each. Options were exercised on a regular basis throughout the year. The weighted average share price during the year was $3.88 (2009: $3.14).

22 EMPLOYEE BENEFITS *(cont'd)*

(c) Equity compensation benefits *(cont'd)*

CapitaLand Share Option Plan *(cont'd)*

The fair value of services received in return for options granted is measured by reference to the fair value of options granted. The fair value of the options granted is measured based on Enhanced Trinomial (Hull and White) valuation model.

The share price is based on volume-weighted average share price for three consecutive trading days prior to the grant date. The expected volatility is based on the historical volatility and calculated based on 36 months prior to the date of grant. The Company uses 10 (or five) years risk-free rate for options with a 10 (or five) years contractual term. Expected dividend yield is based on expected dividend payout over the 1-year volume-weighted average share price prior to the grant date. Pre-vesting forfeiture rates and post-vesting forfeiture rates are based on historical option forfeiture and employee turnover rates. Exercise multiple is estimated based on historical employee exercise behaviour.

The Modification Exercise in the CapitaLand Share Option Plan

The Company paid a special dividend of $0.05 per issued ordinary share for the financial year ended 31 December 2009. In accordance with the Company's Share Option Plan, when the Company declares a special dividend (whether in cash or in specie), the ERCC may as it deems appropriate determine whether the number of shares which are the subject of an award to the extent not yet vested shall be adjusted. Any adjustment under this rule should be made in a way that an option holder will not receive a benefit that a shareholder does not receive and has been confirmed in writing by the auditors to be in their opinion, fair and reasonable.

On 30 April 2010, adjustments to the terms of the unexercised options were made (based on the ex-rights date of 26 April 2010, and hereby also known as "modification date") in manner such that the option holder will maintain parity of fair value before and on the modification date using the Equivalent Economic Value concept. The fair value of options was calculated using the Enhanced Trinomial (Hull and White) option valuation model.

Exercise prices of the unexercised options were adjusted lower ranging from $0.05 to $0.10 per option to reflect the special dividend paid. No adjustments were made to the vesting and exercise periods of the options.

No incremental fair value of options was recognised as a result of the modification exercise and the significant inputs into the Enhanced Trinomial (Hull and White) option valuation model were:

- Share price of $3.94, based on volume-weighted average share price for three consecutive trading days prior to the modification date;
- The volatility measured at the standard deviation of expected share price returns of 32.64%, based on 36 months closing share price prior to the modification date;
- Risk-free interest rate ranging from 0.43% to 2.13% per annum that matches the remaining life of the award. This is based on the zero-coupon Singapore Government bond yield on modification date for awards matching tenure contractual life; and
- Dividend yield of 1.46% based on expected dividend over one-year volume-weighted average share price prior to the modification date.

22 EMPLOYEE BENEFITS *(cont'd)*

(c) Equity compensation benefits *(cont'd)*

CapitaLand Share Option Plan *(cont'd)*

Options outstanding at the end of the year are summarised below:

Range of Exercise Price Pre Modification	Range of Exercise Price Post Modification	Options outstanding 2010 ('000)	Weighted average contractual life (years)	Options outstanding 2009 ('000)	Weighted average contractual life (years)
$0.35 to $0.49	$0.30 to $0.44	**247**	**2.18**	290	3.18
$0.50 to $0.55	$0.45 to $0.50	**678**	**3.00**	951	3.88
$0.56 to $1.14	$0.51 to $1.09	**43**	**3.66**	103	3.45
$1.15 to $1.48	$1.10 to $1.43	**97**	**0.46**	230	1.43
$1.49 to $2.22	$1.44 to $2.16	**1,923**	**4.18**	3,886	5.03
$2.23 to $4.20	$2.17 to $4.10	**7,412**	**5.01**	13,247	5.87
		10,400		18,707	

CapitaLand Performance Share Plan

This relates to compensation costs of the Company's Performance Share Plan reflecting the benefits accruing to the employees over the service period to which the performance criteria relate.

The number of shares outstanding under the CapitaLand Performance Share Plan at the end of the year is summarised below:

	2010 ('000)	2009 ('000)
At 1 January	**9,464**	8,425
Granted	**3,227**	5,243
Lapsed/Cancelled	**(3,499)**	(1,432)
Additional shares granted arising from modification	**363**	1,840
Released	**(336)**	(4,612)
At 31 December	**9,219**	9,464

The final number of shares released will depend on the achievement of pre-determined targets over a three-year performance period. No share will be released if the threshold targets are not met at the end of the performance period. On the other hand, if superior targets are met, more shares than the baseline award could be delivered up to a maximum of 200% of the baseline award.

The fair values of the shares are determined using Monte Carlo simulation method at the measurement date which projects future share price assuming log normal distribution based on Geometric Brownian Motion Theory. The fair value and assumptions are set out below:

Year of Award	2010	2009
Weighted average fair value of shares and assumptions		
Weighted average fair value at measurement date	**$2.92**	$1.56
Expected volatility based on 36 months closing share price prior to grant date	**32.69%**	41.25%
MSCI Asia Pacific ex-Japan Real Estate Index annualised volatility based on 36 months prior to grant date	**23.77%**	26.97%

22 EMPLOYEE BENEFITS *(cont'd)*

(c) Equity compensation benefits *(cont'd)*

CapitaLand Performance Share Plan *(cont'd)*

Year of Award	2010	2009
Weighted average fair value of shares and assumptions		
Share price at grant date	**$3.89**	$2.03
Risk-free interest rate equal to the implied yield on zero-coupon Singapore Government bond with a term equal to the length of vesting period	**0.67%**	0.99%
Expected dividend yield over 12 months volume-weighted average share price prior to the grant date	**1.57%**	1.77%
Correlation of return between MSCI Asia Pacific ex-Japan Real Estate Index and the Company's share price measured over 36 months prior to the grant date	**67.74%**	55.79%

The Modification Exercise in the CapitaLand Performance Share Plan

During the year, the Company paid a special dividend of $0.05 per issued ordinary share for the financial year ended 31 December 2009. In accordance with the rules of the CapitaLand Performance Share Plan, when the Company declares a special dividend (whether in cash or in specie), the ERCC may as it deems appropriate determine whether the number of shares which are the subject of an award to the extent not yet vested shall be adjusted. Any adjustment under this rule should be made in a way that a CapitaLand Performance Share Plan participant will not receive a benefit that a shareholder does not receive and has been confirmed in writing by the auditors to be in their opinion, fair and reasonable.

On 3 May 2010, adjustments to the terms of the unvested shares were made (based on the ex-rights date of 26 April 2010, and hereby also known as "modification date") in manner such that the CapitaLand Performance Share Plan participants will maintain parity of fair value before and on the modification date using the Equivalent Economic Value concept. The fair value of the shares was calculated using the Monte Carlo simulation model.

The number of shares was adjusted to reflect the special dividend paid. The adjustments resulted in additional awards of 362,822 shares during the financial year ended 31 December 2010.

No incremental fair value of shares was recognised as a result of the modification exercise and the significant inputs into the Monte Carlo simulation model were:

- Share price of $3.94, based on volume-weighted average share price for three consecutive trading days prior to the modification date;
- The volatility measured at the standard deviation of expected share price returns of 32.64%, based on 36 months closing share price prior to the modification date;
- The MSCI Asia Pacific ex Japan Real Estate Index annualised volatility based on 36 months prior to the modification date of 24.15%;
- Correlation of return between MSCI Asia Pacific ex-Japan Real Estate Index and the Company's share price measured over 36 months prior to the modification date of 68.07%;
- Risk-free interest rate ranging from 0.43% to 0.69% per annum that matches the remaining life of the award. This is based on the zero-coupon Singapore Government bond yield on modification date for awards matching tenure contractual life; and
- Dividend yield of 1.46% based on expected dividend over one-year volume-weighted average share price prior to the modification date.

22 EMPLOYEE BENEFITS *(cont'd)*

(c) Equity compensation benefits *(cont'd)*

CapitaLand Restricted Stock Plan – Equity-settled/Cash-settled

This relates to compensation costs of the Company's Restricted Stock Plan reflecting the benefits accruing to the employees over the service period to which the performance criteria relate. The Company granted awards of shares under the CapitaLand Restricted Stock Plan in place of options with effect from 2007.

With effect from 2008, the ERCC of the Company has instituted a set of share ownership guidelines for senior management who receives shares under the CapitaLand Restricted Stock Plan. Under these guidelines, members of the senior management team are required to retain a portion of the total number of CapitaLand shares acquired through the CapitaLand Restricted Stock Plan which will vary according to their job grades and base salaries.

The number of shares outstanding under the CapitaLand Restricted Stock Plan at the end of the year is summarised below:

	2010 ('000)	2009 ('000)
At 1 January	**13,621**	9,883
Granted	**8,597**	7,951
Lapsed/Cancelled	**(1,803)**	(1,624)
Additional shares granted arising from modification	**254**	1,736
Released*	**(7,178)**	(4,325)
At 31 December	**13,491**	13,621

* *The number of shares released during the year was 7,177,767 (2009: 4,324,511), of which 1,063,145 (2009: 579,928) were cash-settled.*

As at 31 December 2010, the number of shares comprised in awards granted under the CapitaLand Restricted Stock Plan is as follows:

	2010		2009	
	Equity-settled ('000)	Cash-settled ('000)	Equity-settled ('000)	Cash-settled ('000)
Final number of shares has not been determined (baseline award) #	**5,079**	**664**	6,965	1,265
Final number of shares determined but not released	**6,594**	**1,154**	4,616	775
	11,673	**1,818**	11,581	2,040

The final number of shares released could range from 0% to 150% of the baseline award.

The final number of shares released will depend on the achievement of pre-determined targets at the end of a one-year performance period. No share will be released if the threshold targets are not met at the end of the performance period. On the other hand, if superior targets are met, more shares than the baseline award could be delivered up to a maximum of 150% of the baseline award. The shares have a vesting schedule of two to three years. Recipient can receive fully paid shares, their equivalent cash value or combinations thereof, at no cost. For the year 2010, the awards granted to non-executive directors are time-based with no performance conditions and will be released over a vesting period of two years.

Cash-settled awards of shares are measured at their current fair values at each balance sheet date.

22 EMPLOYEE BENEFITS *(cont'd)*

(c) Equity compensation benefits *(cont'd)*

CapitaLand Restricted Stock Plan – Equity-settled/Cash-settled *(cont'd)*

The fair values of the shares are determined using Monte Carlo simulation method at the measurement date which projects future share price assuming log normal distribution based on Geometric Brownian Motion Theory. The fair value and assumptions are set out below:

Year of Award	2010	2009
Weighted average fair value of shares and assumptions		
Weighted average fair value at measurement date	**\$3.78**	\$1.96
Expected volatility based on 36 months closing share price prior to grant date	**32.69%**	41.25%
Share price at grant date	**\$3.89**	\$2.03
Risk-free interest rate equal to the implied yield on zero-coupon Singapore Government bond with a term equal to the length of vesting period	**0.38% to 0.67%**	0.47% to 0.99%
Expected dividend yield over 12 months volume-weighted average share price prior to the grant date	**1.57%**	1.77%

The Modification Exercise in the CapitaLand Restricted Stock Plan

The Company paid a special dividend of \$0.05 per issued ordinary share for the financial year ended 31 December 2009. In accordance with the Company's Restricted Stock Plan Rules, when the Company declares a special dividend (whether in cash or in specie), the ERCC may as it deems appropriate determine whether the number of shares which are the subject of an award to the extent not yet vested shall be adjusted. Any adjustment under this rule should be made in a way that a CapitaLand Restricted Stock Plan participant will not receive a benefit that a shareholder does not receive and has been confirmed in writing by the auditors to be in their opinion, fair and reasonable.

On 3 May 2010, adjustments to the terms of the unvested shares were made (based on the ex-rights date of 26 April 2010, and hereby also known as "modification date") in manner such that the CapitaLand Restricted Stock Plan participants will maintain parity of fair value before and on the modification date using the Equivalent Economic Value concept. The fair value of the shares was calculated using the Monte Carlo simulation model.

The number of shares was adjusted to reflect the special dividend paid. The adjustments resulted in additional awards of 254,118 shares (of which 34,083 are to be cash-settled) during the financial year ended 31 December 2010.

No incremental fair value of shares was recognised as a result of the modification exercise and the significant inputs into the Monte Carlo simulation model were:

– Share price of \$3.94, based on volume-weighted average share price for three consecutive trading days prior to the modification date;
– The volatility measured at the standard deviation of expected share price returns of 32.64%, based on 36 months closing share price prior to the modification date;
– Risk-free interest rate ranging from 0.43% to 0.69% per annum that matches the remaining life of the award. This is based on the zero-coupon Singapore Government bond yield on modification date for awards matching tenure contractual life; and
– Dividend yield of 1.46% based on expected dividend over one-year volume-weighted average share price prior to the modification date.

22 EMPLOYEE BENEFITS *(cont'd)*

(c) Equity compensation benefits *(cont'd)*

Share Plans of Subsidiaries

(a) CapitaMalls Asia Limited ("CMA")

The CMA Performance Share Plan and the CMA Restricted Stock Plan (collectively referred to as the "CMA Share Plans") were approved and adopted by the shareholders of CMA at an Extraordinary General Meeting held on 30 October 2009.

CMA Performance Share Plan

This relates to compensation costs of the CMA's Performance Share Plan reflecting the benefits accruing to the employees of CMA over the service period to which the performance criteria relate.

The number of shares granted during the year and remained outstanding under the CMA Performance Share Plan at the end of the year is 871,700 (2009: Nil).

The final number of shares released will depend on the achievement of pre-determined targets over a three-year performance period. No share will be released if the threshold targets are not met at the end of the performance period. On the other hand, if superior targets are met, more shares than the baseline award could be delivered up to a maximum of 200% of the baseline award.

The fair values of the shares are determined using Monte Carlo simulation method at the measurement date which projects future share price assuming log normal distribution based on Geometric Brownian Motion Theory. The fair value and assumptions are set out below:

Year of Award	2010	2009
Weighted average fair value of shares and assumptions		
Weighted average fair value at measurement date	**$1.88**	–
Expected volatility based on 36 months closing share price prior to grant date	**36.38%**	–
MSCI Asia Pacific ex-Japan Real Estate Index annualised volatility based on 36 months prior to grant date	**26.06%**	–
Share price at grant date	**$2.34**	–
Risk-free interest rate equal to the implied yield on zero-coupon Singapore Government bond with a term equal to the length of vesting period	**0.67%**	–
Expected dividend yield over 12 months volume-weighted average share price prior to the grant date	**0.71%**	–
Correlation of return between MSCI Asia Pacific ex-Japan Real Estate Index and CMA's share price measured over 36 months prior to the grant date	**68.21%**	–

CMA Restricted Stock Plan – Equity-settled/Cash-settled

This relates to compensation costs of the CMA's Restricted Stock Plan reflecting the benefits accruing to the employees of CMA over the service period to which the performance criteria relate.

22 EMPLOYEE BENEFITS *(cont'd)*

(c) Equity compensation benefits *(cont'd)*

Share Plans of Subsidiaries *(cont'd)*

(a) CapitaMalls Asia Limited ("CMA") *(cont'd)*

CMA Restricted Stock Plan – Equity-settled/Cash-settled *(cont'd)*

The number of shares outstanding under the CMA Restricted Stock Plan at the end of the year is summarised below:

	2010 ('000)	2009 ('000)
At 1 January	**–**	–
Granted	**4,634**	–
Lapsed/Cancelled	**(517)**	–
At 31 December *	**4,117**	–

* *As at 31 December 2010, the number of shares awarded and outstanding was 4,116,979, of which 1,209,807 were to be cash-settled.*

The final number of shares released will depend on the achievement of pre-determined targets at the end of a one-year performance period. No share will be released if the threshold targets are not met at the end of the performance period. On the other hand, if superior targets are met, more shares than the baseline award could be delivered up to a maximum of 150% of the baseline award. The shares have a vesting schedule of two to three years. Recipient can receive fully paid shares, their equivalent cash value or combinations thereof, at no cost.

Cash-settled awards of shares are measured at their current fair values at each balance sheet date.

The fair values of the shares are determined using Monte Carlo simulation method at the measurement date which projects future share price assuming log normal distribution based on Geometric Brownian Motion Theory. The fair value and assumptions are set out below:

Year of Award	2010	2009
Weighted average fair value of shares and assumptions		
Weighted average fair value at measurement date	**$2.30**	–
Expected volatility based on 36 months closing share price prior to grant date	**36.38%**	–
Share price at grant date	**$2.34**	–
Risk-free interest rate equal to the implied yield on zero-coupon Singapore Government bond with a term equal to the length of vesting period	**0.38% to 0.67%**	–
Expected dividend yield over 12 months volume-weighted average share price prior to the grant date	**0.71%**	–

(b) Australand

Australand Employee Securities Ownership Plan

Australand has an Australand Employees Securities Ownership Plan ("Australand ESOP") which offers a five-year, interest-free loan to enable employees to purchase a specified number of Australand stapled securities allocated by Australand's Remuneration Committee. The loan has limited recourse and the employees' obligations to repay the loan are limited to the market value of the securities at any time. The loan will be partly repaid by distributions on the securities held and must be fully repaid on cessation of employment with Australand or by the fifth anniversary of the origination date of the loan, whichever is earlier. The last offer under Australand ESOP was made on 30 June 2006 and hence Australand ESOP will cease to exist on 30 June 2011.

22 EMPLOYEE BENEFITS *(cont'd)*

(c) Equity compensation benefits *(cont'd)*

Share Plans of Subsidiaries *(cont'd)*

(b) Australand *(cont'd)*

Australand Employee Securities Ownership Plan *(cont'd)*

In addition to the above Australand ESOP, options over unissued Australand stapled securities have previously been issued to employees under the terms of the Australand Share Option Scheme. No options have been issued under this scheme since March 2002. No future options will be issued under this scheme.

During the financial year, there were 144,250 (pre-consolidation) securities being issued by Australand by virtue of the exercise of options at an exercise price of A$0.22 per security.

As at 31 December 2010, there were 13,550 unissued securities under options at an exercise price of A$1.10 per security.

Australand Performance Rights Plan

The establishment of the Australand Performance Rights Plan was approved by Australand's shareholders at the 2007 Annual General Meeting ("AGM").

The number of shares outstanding under the Australand Performance Rights Plan as at the end of the year is summarised below:

	2010 ('000)	2009 ('000)
At 1 January	**2,725***	6,374
Granted	**1,940**	14,710
Lapsed/Forfeited	**(752)**	(7,459)
At 31 December	**3,913**	13,625

* *In May 2010, the total number of stapled securities on issue were consolidated on a 1 for 5 basis. For every 5 stapled securities on issue prior to the consolidation, security holders received 1 new stapled security. Opening balances of performance rights granted, and performance rights exercised, lapsed and forfeited, as well as their fair values, have been adjusted for the effect of the security consolidation. The comparative disclosure have not been adjusted.*

The fair value is independently determined at grant date using the Monte Carlo Simulation technique. This technique involves stock prices being randomly simulated under risk neutral conditions and parameters in order to calculate the value of the performance rights at expiry. The simulation is repeated numerous times to produce distribution payoff amounts. The performance rights value is taken as the average of the payoff amounts calculated and discounted back to the valuation date. The fair value and assumptions are set out below:

Year of Award	2010	2009
Fair value of performance rights and assumptions:		
Fair value at measurement date	**A$1.79**	A$0.29
Share price at grant date	**A$2.75**	A$0.45
Expected price volatility of Australand's stapled securities	**40.0%**	50.0%
Expected dividend yield	**8.0%**	12.5%
Risk-free discount rate	**4.6%**	4.2%
Expected franking rate	**0%**	0%
Australand and index correlation	**61.0%**	63.0%

22 EMPLOYEE BENEFITS *(cont'd)*

(c) Equity compensation benefits *(cont'd)*

Share Plans of Subsidiaries *(cont'd)*

(b) Australand *(cont'd)*

Australand Tax Exempt Employee Security Plan

The Australand Tax Exempt Employee Security Plan in which tax exempt stapled securities may be issued by the company to employees for no cash consideration was approved by Australand shareholders at the 2007 AGM. All Australian resident permanent (full-time and part-time) employees (excluding directors and participants in the Australand Performance Rights Plan) who have been continuously employed by Australand for a period of at least nine months as at the invitation date and are still employees as at the acquisition date are eligible to participate in the plan. Employees may elect not to participate in the plan.

The plan provides up to A$1,000 of Australand stapled securities (tax-free) to eligible employees annually for no cash consideration.

A three-year restriction period on selling, transferring or otherwise dealing with the securities applies, unless the employee leaves Australand. Under the plan, employees will receive the same benefits as all other security holders.

The number of securities issued to participants in the plan is the offer amount divided by the weighted average price at which Australand's stapled securities is traded on the Australian Stock Exchange during the week up to and including the acquisition date (rounded down to the nearest whole number of stapled securities).

During the year, 110,410 (2009: Nil) securities were issued under the Australand Tax Exempt Employee Security Plan year at the weighted average market price of A$2.76 per security.

23 SHARE CAPITAL

	The Company	
Issued and fully paid, with no par value	**2010 No. of shares ('000)**	**2009 No. of shares ('000)**
At 1 January	**4,247,993**	2,823,506
Issue of shares pursuant to the:		
- Rights issue	**–**	1,411,945
- Exercise of options	**8,048**	4,185
- Performance Share and Restricted Stock Plans	**6,451**	8,357
At 31 December	**4,262,492**	4,247,993

(a) The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All shares rank equally with regards to the Company's residual assets.

(b) At the end of the financial year, there were 10,400,345 (2009: 18,707,026) options under the CapitaLand Share Option Plan, a maximum of 18,438,960 (2009: 18,927,310) shares under the CapitaLand Performance Share Plan and 14,219,986 (2009: 15,063,405) shares under the CapitaLand Restricted Stock Plan, details of which are disclosed in note 22(c).

23 SHARE CAPITAL *(cont'd)*

(c) As at December 2010, the convertible bonds issued by the Company which remained outstanding are as follows:

Principal Amount $ million	Maturity Date Year	Conversion Price $	
424.75	2016	6.01	Convertible into 70,673,876 new ordinary shares
1,000.00	2022	11.5218	Convertible into 86,791,994 new ordinary shares
1,050.00	2018	7.1468	Convertible into 146,918,900 new ordinary shares
1,200.00	2016	4.7275	Convertible into 253,833,950 new ordinary shares

There has been no redemption or conversion by the bondholders of any of the above convertible bonds during the year (2009: Nil).

(d) The Company did not hold any treasury shares as at 31 December 2010 and 31 December 2009.

Capital Management

The Group's policy is to build a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Group monitors the return on capital, which the Group defines as total shareholders' equity, excluding non-controlling interests, and the level of dividends to ordinary shareholders.

The Group also monitors capital using a net debt equity ratio, which is defined as net borrowings divided by total equity (including non-controlling interests).

	The Group 2010 $'000	2009 $'000
Gross borrowings	**10,358,043**	10,312,554
Cash and cash equivalents	**(7,190,064)**	(8,729,718)
Net debt	**3,167,979**	1,582,836
Total equity	**18,017,462**	16,879,763
Net debt equity ratio	**0.18**	0.09

The Group seeks to strike a balance between the higher returns that might be possible with higher level of borrowings and the liquidity and security afforded by a sound capital position.

In addition, the Company has a share purchase mandate as approved by its shareholders which allows the Company greater flexibility over its share capital structure with a view to improving, inter alia, its return on equity. The shares which are purchased may be held as treasury shares which the Company may transfer for the purposes of or pursuant to its employee share-based incentive schemes so as to enable the Company to take advantage of tax deductions under the current taxation regime. The use of treasury shares in lieu of issuing new shares would also mitigate the dilution impact on existing shareholders. No share purchase was made during the year.

Six of the Group's subsidiaries are required to maintain certain minimum base capital and financial resources, or shareholders' funds as they are holders of Capital Markets Services licenses registered under the Monetary Authority of Singapore or the Securities Commission Malaysia to conduct the regulated activity of Real Estate Investment Trust management. These subsidiaries have complied with the applicable requirements throughout the year.

There were no changes in the Group's approach to capital management during the year.

24 OTHER RESERVES

	The Group		The Company	
	2010 $'000	2009 $'000	2010 $'000	2009 $'000
Capital reserve	**453,116**	435,483	**383,490**	383,490
Equity compensation reserve	**101,033**	94,224	**37,862**	36,184
Hedging reserve	**4,334**	(37,682)	**–**	–
Available-for-sale reserve	**49,451**	29,722	**–**	–
Foreign currency translation reserve	**(366,048)**	(181,748)	**–**	–
	241,886	339,999	**421,352**	419,674

The capital reserve comprises mainly the value of the option granted to bondholders to convert their convertible bonds into ordinary shares of the Company and share of associates' and joint ventures' capital reserve.

The equity compensation reserve comprises the cumulative value of employee services received for the issue of the options and shares under the share plans of the Company and its subsidiaries (note 22(c)).

The hedging reserve comprises the effective portion of the cumulative net change in the fair value of hedging instruments related to hedged transactions that have not yet occurred.

The available-for-sale reserve comprises the cumulative net change in the fair value of available-for-sale investment until the investment is derecognised.

The foreign currency translation reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign entities, as well as from the translation of foreign currency loans used to hedge or form part of the Group's net investments in foreign entities.

25 OTHER COMPREHENSIVE INCOME

	2010			2009		
The Group	**Before tax $'000**	**Tax expense $'000**	**Net of tax $'000**	**Before tax $'000**	**Tax expense $'000**	**Net of tax $'000**
Exchange differences arising from translation of foreign operations and foreign currency loans forming part of net investment in foreign operations	**(345,167)**	**–**	**(345,167)**	151,907	–	151,907
Recognition of exchange differences to profit or loss	**126,593**	**–**	**126,593**	6,844	–	6,844
Change in fair value of available-for-sale investments	**34,218**	**(1,470)**	**32,748**	53,839	–	53,839
Recognition of fair value gain in available-for-sale reserve to profit or loss	**(13,018)**	**–**	**(13,018)**	(41,403)	–	(41,403)
Effective portion of change in fair value of cash flow hedges	**24,448**	**(3,647)**	**20,801**	150,916	(36,117)	114,799
Recognition of fair value losses/ (gains) in hedging reserve to profit or loss	**12,873**	**–**	**12,873**	(12,214)	–	(12,214)
Recognition of changes in other capital reserve to profit or loss	**–**	**–**	**–**	(132)	–	(132)
Share of other comprehensive income of associates and joint ventures	**15,756**	**–**	**15,756**	(38,308)	–	(38,308)
Recognition of share of other comprehensive income of associates and joint ventures to profit or loss	**6**	**–**	**6**	10,786	–	10,786
	(144,291)	**(5,117)**	**(149,408)**	282,235	(36,117)	246,118

26 REVENUE

Revenue of the Group and of the Company is analysed as follows:

	The Group 2010 $'000	The Group 2009 $'000	The Company 2010 $'000	The Company 2009 $'000
Trading of properties	**2,199,545**	1,827,156	**–**	–
Rental and related income	**432,197**	435,839	**–**	–
Fee income	**421,866**	353,092	**66,061**	47,920
Serviced residence rental and related income	**318,234**	325,732	**–**	–
Dividend income from subsidiaries	**–**	–	**220,504**	462,428
Others	**10,900**	15,540	**–**	–
	3,382,742	2,957,359	**286,565**	510,348

27 PROFIT BEFORE TAXATION

Profit before taxation includes the following:

	Note	The Group 2010 $'000	The Group 2009 $'000	The Company 2010 $'000	The Company 2009 $'000
(a) Other operating income					
Interest income from:					
- fixed deposits		**30,530**	27,454	**925**	1,777
- subsidiaries		**–**	–	**106,609**	90,454
- associates and joint ventures		**43,353**	43,442	**–**	–
- investee companies and others		**9,403**	5,788	**2**	26
- interest capitalised in development properties for sale	11(d)	**(259)**	(134)	**–**	–
		83,027	76,550	**107,536**	92,257
Dividend income		**3,612**	8,151	**–**	–
Net fair value gain on derivative instruments		**19,652**	–	**–**	–
Net fair value gains from investment properties	5	**394,585**	–	**–**	–
Gain on disposal/ redemption of available-for-sale financial assets		**12,976**	56,467	**–**	–
Gain on disposal/dilution/ liquidation of subsidiaries, associates and joint ventures		**241,547***	925,214	**90,039**	1,154,210
Foreign exchange gain		**–**	23,015	**5,779**	12,404
Gain on disposal of investment properties		**13,845**	19,140	**–**	–
Gain on disposal of property, plant and equipment		**12,077**	23,576	**12**	–
Gain on repurchase of convertible bonds		**–**	7,059	**–**	8,289

* *Includes re-measurement gain attributable to recognising investment retained in former subsidiaries at their respective fair values of $88.1million (2009: Nil).*

27 PROFIT BEFORE TAXATION *(cont'd)*

	Note	The Group 2010 $'000	The Group 2009 $'000	The Company 2010 $'000	The Company 2009 $'000
(a) Other operating income *(cont'd)*					
Gain from bargain purchase arising from an increased stake in subsidiaries		**11,580**	2,958	**–**	–
Underwriting fee income from associates' rights issue		**–**	19,359	**–**	14,802
Write back of doubtful receivables		**–**	–	**53,596**	–
Write back of impairment of subsidiaries		**–**	–	**49,432**	–
Write back of impairment of joint ventures	8(a)(i)	**9,413**	–	**–**	–
Others		**90,373**	76,910	**14,185**	2,813
		892,687	1,238,399	**320,579**	1,284,775
(b) Staff costs					
Wages and salaries		**385,598**	338,107	**29,953**	29,960
Contributions to defined contribution plans		**41,669**	41,230	**1,892**	1,600
Share-based expenses					
- equity-settled		**34,298**	24,682	**7,786**	4,742
- cash-settled		**4,830**	4,045	**533**	542
Increase/(Decrease) in liability for short term accumulating compensated absences		**1,485**	(221)	**511**	8
Staff benefits, training/development costs and others		**63,222**	48,035	**3,257**	2,143
		531,102	455,878	**43,932**	38,995
Less:					
Staff costs capitalised in development properties for sale	11(d)	**(52,119)**	(33,377)	**–**	–
		478,983	422,501	**43,932**	38,995
Recognised in:					
Cost of sales	(c)(i)	**213,446**	215,847	**–**	–
Administrative expenses	(c)(ii)	**265,537**	206,654	**43,932**	38,995
		478,983	422,501	**43,932**	38,995

27 PROFIT BEFORE TAXATION *(cont'd)*

		Note	The Group 2010 $'000	The Group 2009 $'000	The Company 2010 $'000	The Company 2009 $'000
(c)(i)	**Cost of sales include:**					
	Staff costs	(b)	**213,446**	215,847	**–**	–
	Provision for foreseeable losses on development properties for sale		**5,000**	158,104	**–**	–
	Operating lease expenses		**51,419**	51,052	**–**	–
	Operating expenses arising from investment properties that generated rental income		**105,863**	110,434	**–**	–
	Amortisation of intangible assets		**484**	484	**–**	–
(ii)	**Administrative expenses include:**					
	Staff costs	(b)	**265,537**	206,654	**43,932**	38,995
	Allowance for doubtful receivables		**5,281**	15,361	**–**	–
	Amortisation of intangible assets		**1,143**	1,080	**–**	–
	Auditors' remuneration:					
	- auditors of the Company		**1,808**	1,612	**170**	174
	- other auditors		**4,145**	4,146	**–**	14
	Non-audit fees:					
	- auditors of the Company		**159**	906	**10**	28
	- other auditors		**738**	662	**–**	–
	Depreciation of property, plant and equipment	3	**57,998**	61,466	**4,652**	4,304
	Operating lease expenses		**36,793**	39,448	**4,573**	3,613
(iii)	**Other operating expenses include:**					
	Allowance for doubtful receivables		**1,100**	–	**–**	90,706
	Net fair value losses from investment properties	5	**–**	225,932	**–**	–
	Impairment of available-for-sale financial assets		**10,936**	50,953	**–**	–
	Net fair value loss on derivative instruments		**–**	34,210	**–**	–
	Foreign exchange loss		**27,536**	–	**–**	–
	Impairment and write off of property, plant and equipment		**23,891**	1,826	**94**	75
	Provision for foreseeable losses	21(b)	**25,848**	145,924	**–**	–

27 PROFIT BEFORE TAXATION *(cont'd)*

	Note	The Group 2010 $'000	The Group 2009 $'000	The Company 2010 $'000	The Company 2009 $'000
(c)(iii) Other operating expenses include: *(cont'd)*					
Fidelity losses arising from financial irregularities		**14,000**	–	–	–
Impairment of:					
- subsidiaries		–	–	–	115,368
- goodwill	4	–	55,001	–	–
- associates	7(a)(i)	**4,000**	40,983	–	–
- joint ventures	8(a)(i)	–	14,271	–	–
(d) Finance costs					
Interest and securitisation costs paid and payable to:					
- subsidiaries		–	–	**4,081**	1,901
- bank loans and overdrafts		**212,240**	224,328	–	–
- debt securities		**81,215**	91,604	–	–
- non-controlling interests		**5,610**	6,554	–	–
Convertible bonds:					
- interest expense		**105,732**	87,300	**105,732**	87,300
- amortisation of bond discount		**63,584**	43,650	**63,584**	43,650
- accretion of bond premium		**10,498**	11,945	**10,498**	11,945
Derivative financial instruments		**1,759**	24,847	–	–
Others		**59,936**	44,455	–	–
Total borrowing costs		**540,574**	534,683	**183,895**	144,796
Less:					
Borrowing costs capitalised in:					
- property, plant and equipment	3(c)	**(4,167)**	–	–	–
- investment properties	5(d)	**(4,903)**	(6,582)	–	–
- development properties for sale	11(d)	**(83,321)**	(74,179)	–	–
		(92,391)	(80,761)	–	–
		448,183	453,922	**183,895**	144,796

28 TAXATION

	The Group 2010 $'000	The Group 2009 $'000	The Company 2010 $'000	The Company 2009 $'000
Current tax expense				
- Based on current year's results	**261,661**	150,982	**–**	4,616
- (Over)/Under provision in respect of prior years	**(51,310)**	(49,960)	**424**	4,520
- Group relief	**(1,745)**	(28,080)	**–**	–
	208,606	72,942	**424**	9,136
Deferred tax expense				
- Origination and reversal of temporary differences	**58,421**	8,382	**(8,484)**	(14,383)
- (Over)/Under provision in respect of prior years	**(1,120)**	5,138	**–**	6,007
	57,301	13,520	**(8,484)**	(8,376)
Total	**265,907**	86,462	**(8,060)**	760

Reconciliation of effective tax rate

	The Group 2010 $'000	The Group 2009 $'000
Profit before taxation	**1,936,014**	1,095,096
Less: Share of results of associates and joint ventures	**(820,852)**	(269,195)
Profit before share of results of associates, joint ventures and taxation	**1,115,162**	825,901
Income tax using Singapore tax rate of 17% (2009: 17%)	**189,578**	140,403
Adjustments:		
Expenses not deductible for tax purposes	**151,884**	173,166
Income not subject to tax	**(148,242)**	(188,188)
Effect of unrecognised tax losses and other deductible temporary differences	**12,188**	15,220
Effect of different tax rates in foreign jurisdictions	**80,227**	18,632
Over provision in respect of prior years	**(52,430)**	(44,822)
Group relief	**(1,745)**	(28,080)
Withholding taxes	**18,859**	25,247
Others	**15,588**	(25,116)
	265,907	86,462

	The Company 2010 $'000	The Company 2009 $'000
Profit before taxation	**343,910**	1,385,750
Income tax using Singapore tax rate of 17% (2009: 17%)	**58,465**	235,578
Adjustments:		
Expenses not deductible for tax purposes	**6,185**	33,861
Income not subject to tax	**(72,496)**	(275,950)
Effect of other deductible temporary differences	**(460)**	(2,691)
Under provision in respect of prior years	**424**	10,527
Others	**(178)**	(565)
	(8,060)	760

29 EARNINGS PER SHARE

(a) Basic earnings per share

	The Group 2010 $'000	The Group 2009 $'000
Basic earnings per share is based on:		
Net profit attributable to owners of the Company	**1,273,139**	1,052,959

	Number of shares ('000) 2010	Number of shares ('000) 2009
Weighted average number of ordinary shares in issue during the year	**4,258,925**	4,017,136

(b) Diluted earnings per share

In calculating diluted earnings per share, the net profit attributable to owners of the Company and weighted average number of ordinary shares in issue during the year are adjusted for the effects of all dilutive potential ordinary shares:

	The Group 2010 $'000	The Group 2009 $'000
Net profit attributable to owners of the Company	**1,273,139**	1,052,959
Profit impact of conversion of the dilutive potential ordinary shares	**77,354**	35,702
Adjusted net profit attributable to owners of the Company	**1,350,493**	1,088,661

	2010 Number of shares ('000)	2009 Number of shares ('000)
Weighted average number of ordinary shares used in the calculation of basic earnings per share	**4,258,925**	4,017,136
Weighted average number of unissued ordinary shares from:		
- options under CapitaLand Share Option Plan	**9,738**	5,460
- shares under CapitaLand Performance Share Plan	**18,439**	18,927
- shares under CapitaLand Restricted Stock Plan	**14,285**	15,063
- convertible bonds	**324,508**	152,384
Number of ordinary shares that would have been issued at fair value	**(6,547)**	(2,549)
	360,423	189,285
Weighted average number of ordinary shares used in the calculation of diluted earnings per share	**4,619,348**	4,206,421

30 DIVIDENDS

The Board of Directors of the Company has proposed a first and final dividend of 6.0 cents per share in respect of the financial year ended 31 December 2010. This would amount to a payout of approximately $255.7 million based on the number of issued shares as at 31 December 2010. The dividends are subject to shareholders' approval at the forthcoming Annual General Meeting of the Company.

For the financial year ended 31 December 2009, a first and final dividend of 5.5 cents per share and a special dividend of 5.0 cents per share were approved at the Annual General Meeting held on 16 April 2010. The said dividends of $447.4 million were paid in May 2010.

31 NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

(a) Acquisition of subsidiaries

The list of significant subsidiaries acquired during the year is as follows:

Name of Subsidiary	Date Acquired	Effective Interest Acquired
CCH Developments Limited (formerly known as Orient Overseas Developments Limited)	February 2010	100%
Growing State Holdings Limited	March 2010	65.5%
Hemliner Pte Ltd	October 2010	100%

The total costs (including the assumption of shareholder's loan) for the above-mentioned acquisitions in aggregate amounted to $3,473.4 million.

There was no acquisition of significant subsidiaries in 2009. The total acquisition cost for subsidiaries acquired, which individually was not significant, in aggregate amounted to $72.6 million.

(b) Effects of acquisitions

The cash flows and net assets of subsidiaries acquired are provided below:

	Note	Recognised Values 2010 $'000	2009 $'000
The Group			
2010			
Property, plant and equipment		**381,179**	60,550
Investment properties	5	**1,263,170**	–
Deferred tax assets		**25,489**	15
Other non-current assets		**19,083**	25,221
Development properties for sale		**2,344,857**	365,930
Cash and cash equivalents		**438,478**	12,535
Other current assets		**20,539**	155,178
Current liabilities		**(195,107)**	(398,040)
Long-term bank borrowings		**(158,811)**	–
Shareholder's loan		**(1,466,912)**	–
Deferred tax liabilities		**(603,421)**	–
Non-controlling interests		**(60,116)**	(30,253)
		2,008,428	191,136
Amounts previously accounted for as associates, joint ventures and other financial assets		**(5,370)**	(118,550)
Net assets acquired		**2,003,058**	72,586
Gain from bargain purchase		**(11,580)**	–
Assumption of shareholder's loan		**1,466,912**	–
Deferred payment		**15,043**	–
Total purchase consideration		**3,473,433**	72,586
Less:			
Cash of subsidiaries acquired		**(438,478)**	(12,535)
Cash outflow on acquisition of subsidiaries		**3,034,955**	60,051

31 NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS *(cont'd)*

(c) Disposals of subsidiaries

(i) During the year, the Group disposed off the following significant subsidiaries for a total consideration of $1,022.8 million:

Name of Subsidiary	Date Disposed	Effective Interest Diposed
The Ascott Group Europe NV*	October 2010	100%
Citadines Holborn CI Limited*	October 2010	100%
Senning Property Ltd	December 2010	61.2%

* *These subsidiaries were sold to Ascott Residence Trust in which the Group has an effective interest of 47.8% as at end-2010.*

The disposed subsidiaries previously contributed net profit of $4.6 million from 1 January 2010 to the date of disposal.

(ii) In 2009, the Group disposed off the following significant subsidiary for a total consideration of $171.4 million:

Name of Subsidiary	Date Disposed	Effective Interest Diposed
Pagesus Pte. Ltd.*	October 2009	100%

* *This subsidiary was sold to Raffles City China Fund Ltd in which the Group has an effective interest of 44.8% as at end-2009.*

The disposed subsidiary previously contributed a net profit of $132.6 million from 1 January 2009 to the date of disposal.

(d) Effects of disposals

The cash flows and net assets of subsidiaries disposed are provided below:

	Note	The Group 2010 $'000	The Group 2009 $'000
Property, plant and equipment		**867,558**	46,325
Investment properties	5	**1,052,291**	403,017
Deferred tax assets		**12,077**	–
Other non-current assets		**65,067**	3,419
Development properties for sale		**124,649**	–
Other current assets		**78,458**	13,730
Current liabilities		**(449,246)**	(239,695)
Long-term bank borrowings		**(395,166)**	(16,785)
Deferred tax liabilities		**(209,953)**	(43,137)
Non-controlling interests		**(62,268)**	(3,508)
Net assets		**1,083,467**	163,366
Less:			
Equity interests retained as associates		**(321,027)**	–
Net assets disposed carried down		**762,440**	163,366

31 NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS *(cont'd)*

(d) Effects of disposals *(cont'd)*

	The Group	
	2010 $'000	2009 $'000
Net assets disposed brought forward	**762,440**	163,366
Realisation of reserves	**109,834**	2,656
Deferred income	**64,896**	21,387
Gain on disposal of subsidiaries	**210,156**	23,036
Sale consideration	**1,147,326**	210,445
Repayment of shareholders' loan	**24,080**	244,251
Deferred payment	**(424,210)**	(909)
Deferred sale consideration received in relation to prior year's disposal of subsidiaries	**909**	67,991
Cash of subsidiaries disposed	**(55,897)**	(12,727)
Cash inflow on disposal of subsidiaries	**692,208**	509,051

32 BUSINESS COMBINATIONS

(a) Acquisition of Orient Overseas Developments Limited

On 10 February 2010, the Group acquired 100% of voting equity interest of CCH Developments Limited ("CCHDL") (formerly known as Orient Overseas Developments Limited). CCHDL is a property investment holding company and through its subsidiaries, conducts property development and investment with a primary focus on opportunities in the Greater Shanghai area and Tianjin, China. Its projects include residential, commercial, retail and hotel properties.

The acquisition allowed the Group to further strengthen its presence in China.

CCHDL contributed revenue of $129.5 million and net profit of $127.3 million to the Group's results for the period from 10 February 2010 to 31 December 2010.

If the acquisition had occurred on 1 January 2010, management estimates that the contribution from CCHDL in terms of revenue and profit for the year ended 31 December 2010 would have been $130.2 million and $125.0 million respectively. In determining these amounts, management has assumed that the fair value adjustments that arose on the date of acquisition would have been the same if the acquisition had occurred on 1 January 2010.

Details of the consideration paid, the assets acquired and liabilities assumed, the non-controlling interest recognised and the effects on the cash flows of the Group, at the acquisition date, are as follows:

(i) Purchase consideration

The consideration transferred for the acquisition was $3,110.9 million, which included the assignment of and transfer of a shareholder's loan due from CCHDL to its previous shareholder. It was settled in cash.

No contingent consideration or indemnification asset was recognised at the acquisition date. Both the Group and the acquired entities do not have a relationship before this acquisition. Therefore, there was no settlement of pre-existing relationship.

No goodwill was recognised as the fair value of the identifiable net assets of the acquired group was equivalent in amount to the purchase consideration transferred.

32 BUSINESS COMBINATIONS *(cont'd)*

(a) Acquisition of Orient Overseas Developments Limited *(cont'd)*

(ii) Effects of cash flows of the Group

	2010 $'000
Cash consideration paid	1,643,986
Assumption of shareholder's loan	1,466,912
Total purchase consideration	3,110,898
Less: Cash and cash equivalents in subsidiaries acquired	(356,242)
Net cash outflow on acquisition	**2,754,656**

(iii) Identifiable assets acquired and liabilities assumed

	2010 $'000
Property, plant and equipment	88,974
Investment properties under development	1,098,791
Deferred tax assets	25,490
Other non-current assets	13,863
Development properties for sale	2,344,857
Other current assets	11,935
Cash	356,242
Current liabilities	(49,787)
Interest bearing loans	(123,829)
Shareholder's loan	(1,466,912)
Deferred tax liabilities	(600,429)
Total identifiable net assets	1,699,195
Add: Assumption of shareholder's loan	1,466,912
Less: Non–controlling interest at proportionate share of the recognised amount of the identified net assets, at acquisition date	(55,209)
Total purchase consideration	**3,110,898**

(iv) Acquisition-related costs

Acquisition-related costs of $4.2 million related to stamp duties, legal and due diligence fees were included in administrative expenses in the consolidated income statement, and in the operating cash flows in the consolidated statement of cash flows.

(v) Acquired receivables

Loan and other receivables mainly comprised other receivables. The carrying amount and gross contractual amount of other receivables was $11.6 million. The carrying amount of other receivables approximated its fair value as the contractual maturity period was within twelve months from the acquisition date. None of the amounts was expected to be uncollectible.

(b) Acquisition of Storhub

On 31 July 2010, a wholly-owned subsidiary, CapitaLand Commercial Limited ("CCL"), together with Hersing Corporation Ltd, formed a group of companies to acquire four Storhub properties to provide self storage facilities. CCL has a 62% interest while Hersing has a 38% interest in these companies.

Four properties, together with the management business and management assets were acquired for $63.4 million.

32 BUSINESS COMBINATIONS *(cont'd)*

(b) Acquisition of Storhub *(cont'd)*

Acquisition-related costs of $0.9 million relating to external legal fees and due diligence cost were included in administrative expenses in the consolidated income statement, and in operating cash flows in the consolidated statement of cash flows.

From the date of acquisition to 31 December 2010, the Storhub group of companies contributed revenue of $4.2 million and net profit after tax of $1.6 million to the Group.

(c) Acquisition of non-controlling interests in Eurimeg SA

On 3 August 2010, Oriville SAS, an indirect wholly-owned subsidiary, acquired an additional 39.24% interest in Eurimeg SA for $24.8 million, increasing its ownership from 60.76% to 100%.

The carrying amount of Eurimeg SA's net assets in the Group's financial statements on the date of acquisition was $59.1 million.

From the date of the acquisition to 31 December 2010, the revenue and net profit after tax contributed by the additional interest acquired were not significant.

33 FINANCIAL RISK MANAGEMENT

(a) Financial risk management objectives and policies

The Group and the Company are exposed to market risk (including interest rate, foreign currency and price risks), credit risk and liquidity risk arising from its diversified business. The Group's risk management approach seeks to minimise the potential material adverse effects from these exposures. The Group uses financial instruments such as currency forwards, interest rate swaps and caps as well as foreign currency borrowings to hedge certain financial risk exposures.

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Board has established the Risk Committee to strengthen its risk management processes and framework. The Risk Committee is assisted by an independent unit called the Risk Assessment Group ("RAG"). RAG generates a comprehensive portfolio risk report to assist the committee. This quarterly report measures a spectrum of risks, including property market risks, construction risks, interest rate risks, refinancing risks and currency risks.

(b) Market risk

Market risk is the risk that changes in market prices, such as interest rates, foreign exchange rates and equity prices will have on the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

(i) Interest rate risk

The Group's exposure to market risk for changes in interest rate environment relates mainly to its investment in financial products and debt obligations.

The investments in financial products are short term in nature and they are not held for trading or speculative purposes. The financial products comprise fixed deposits or short term commercial papers which yield better returns than cash at bank.

33 FINANCIAL RISK MANAGEMENT *(cont'd)*

(b) Market risk *(cont'd)*

(i) Interest rate risk (cont'd)

The Group manages its interest rate exposure by maintaining a prudent mix of fixed and floating rate borrowings. The Group actively reviews its debt portfolio, taking into account the investment holding period and nature of its assets. This strategy allows it to capitalise on cheaper funding in a low interest rate environment and achieve certain level of protection against rate hikes. The Group also uses hedging instruments such as interest rate swaps and caps to minimise its exposure to interest rate volatility. The Group classifies these interest rate swaps and caps as cash flow hedges.

The fair value loss of swaps as at 31 December 2010 was $5.2 million (2009: fair value loss of $44.2 million).

Sensitivity analysis

For interest rate swaps accounted for as cash flow hedges and other variable rate financial liabilities, it is estimated that an increase of 100 basis point in interest rate at the reporting date would lead to a reduction in the Group's profit before tax (and revenue reserves) by approximately $28.8 million (2009: $34.6 million). A decrease in 100 basis point in interest rate would have an equal but opposite effect. This analysis assumes that all other variables, in particular foreign currency rates, remain constant, and has not taken into account the effects of qualifying borrowing costs allowed for capitalisation, the associated tax effects and share of non-controlling interests.

(ii) Foreign currency risk

The Group operates internationally and is exposed to various currencies, mainly Australian Dollars, Chinese Renminbi, Euros, Hong Kong Dollars, Japanese Yen, Sterling Pounds and US Dollars.

The Group maintains a natural hedge, whenever possible, by borrowing in the currency of the country in which its property or investment is located or by borrowing in currencies that match the future revenue stream to be generated from its investments.

The Group also uses forward exchange contracts to hedge its foreign currency risk, where feasible. It generally enters into forward exchange contracts with maturities ranging between 3 months and 5 years which are rolled over at market rates at maturity.

The net fair value gain of the above forward exchange contracts as at 31 December 2010 was $8.0 million (2009: net fair value loss of $21.4 million).

Foreign exchange exposures in transactional currencies other than functional currencies of the operating entities are kept to an acceptable level.

In relation to its investments in foreign subsidiaries whose net assets are exposed to currency translation risks and which are held for long term investment purposes, the differences arising from such translation are recorded under the foreign currency translation reserve. These translation differences are reviewed and monitored on a regular basis.

33 FINANCIAL RISK MANAGEMENT *(cont'd)*

(b) Market risk *(cont'd)*

(ii) Foreign currency risk (cont'd)

The Group's and the Company's exposure to foreign currencies as at 31 December 2010 and 31 December 2009 are as follows:

The Group	US Dollars $'000	Australian Dollars $'000	Chinese Renminbi $'000	Hong Kong Dollars $'000	Japanese Yen $'000	Euro $'000	Malaysian Ringgit $'000	Others* $'000	Total Foreign Currencies $'000
2010									
Other financial assets	22,089	–	–	27,093	148,578	30	–	–	197,790
Trade and other receivables	606,316	298,860	173,391	15,412	70,518	30,725	42,935	65,592	1,303,749
Cash and cash equivalents	680,484	76,291	666,390	3,867	24,769	18,705	235,314	33,834	1,739,654
Borrowings	(756,830)	(2,452,043)	(465,498)	(230,707)	(258,128)	–	(8,835)	(126,233)	(4,298,274)
Trade and other payables	(251,429)	(293,367)	(549,682)	(17,274)	(17,030)	(45,246)	(17,694)	(34,758)	(1,226,480)
Gross currency exposure	300,630	(2,370,259)	(175,399)	(201,609)	(31,293)	4,214	251,720	(61,565)	(2,283,561)
Less: Net financial liabilities/(assets) denominated in the respective entities' functional currencies	216,184	2,374,620	137,431	229,622	218,907	(99)	(31,941)	93,120	3,237,844
Foreign exchange forward contracts	(47,596)	–	–	–	(50,803)	–	–	–	(98,399)
Less: Available-for-sale financial assets	(4,371)	–	–	(27,093)	(148,578)	–	–	–	(180,042)
Net currency exposure	464,847	4,361	(37,968)	920	(11,767)	4,115	219,779	31,555	675,842
2009									
Other financial assets	33,036	–	–	3,114	152,982	93	–	–	189,225
Trade and other receivables	278,346	273,476	226,566	46,028	12,270	30,360	7,324	68,653	943,023
Cash and cash equivalents	410,178	161,010	757,609	48,624	19,908	55,532	94,168	57,569	1,604,598
Borrowings and finance leases	(1,417,495)	(1,800,288)	(354,304)	(346,137)	(195,430)	(425,745)	(395,153)	(81,620)	(5,016,172)
Trade and other payables	(150,357)	(271,336)	(588,206)	(18,090)	(18,537)	(49,680)	(48,232)	(35,092)	(1,179,530)
Gross currency exposure	(846,292)	(1,637,138)	41,665	(266,461)	(28,807)	(389,440)	(341,893)	9,510	(3,458,856)
Less: Net financial (assets)/liabilities denominated in the respective entities' functional currencies	(74,814)	2,079,071	(118,753)	232,303	248,017	394,980	496,082	24,208	3,281,094
Foreign exchange forward contracts	–	(407,400)	–	–	(63,872)	–	–	(39,750)	(511,022)
Less: Available-for-sale financial assets	(272)	–	–	–	(152,982)	–	–	–	(153,254)
Net currency exposure	(921,378)	34,533	(77,088)	(34,158)	2,356	5,540	154,189	(6,032)	(842,038)

* *Others include mainly Sterling Pound, Thai Baht, Indian Rupee and Vietnamese Dong.*

33 FINANCIAL RISK MANAGEMENT *(cont'd)*

(b) Market risk *(cont'd)*

(ii) Foreign currency risk (cont'd)

The Company	US Dollars $'000	Others* $'000	Total Foreign Currencies $'000
2010			
Cash and cash equivalents	40	–	40
Trade and other receivables	36	–	36
Currency exposure	76	–	76
2009			
Cash and cash equivalents	56	–	56
Trade and other payables	(1,049,321)	(39,910)	(1,089,231)
Currency exposure	(1,049,265)	(39,910)	(1,089,175)

* *Others include Hong Kong Dollars and Thai Baht.*

Sensitivity analysis

It is estimated that a five percentage point strengthening in foreign currencies against the Singapore Dollar would increase the Group's profit before tax (and revenue reserves) by approximately $33.8 million (2009: decrease by $42.1 million) and increase the Group's other components of equity by approximately $9.0 million (2009: $7.7 million) respectively. A five percentage point weakening in foreign currencies against the Singapore Dollar would have an equal but opposite effect. The Group's outstanding forward exchange contracts have been included in this calculation. The analysis assumed that all other variables, in particular interest rates, remain constant and does not take into account the translation related risk, associated tax effects and share of non-controlling interests.

It is estimated that a five percentage point strengthening in foreign currencies against the Singapore Dollar would not have any material impact on the profit before tax or revenue reserves of the Company in 2010 (2009: decrease in Company's profit before tax and revenue reserves by approximately $54.5 million). The analysis assumed that all other variables, in particular interest rates, remain constant.

(iii) Equity price risk

The Group has available-for-sale investments in equity securities and is exposed to price risk. These securities are listed in Japan.

Sensitivity analysis

If prices for equity securities listed in Japan change by 5% with all other variables including tax rate being held constant, the impact on profit after tax and available-for-sale reserve will be as follows:

The Group	2010 5% increase $'000	2010 5% decrease $'000	2009 5% increase $'000	2009 5% decrease $'000
Available-for-sale reserve	**1,737**	**(1,737)**	2,208	(2,208)

33 FINANCIAL RISK MANAGEMENT *(cont'd)*

(c) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. For trade receivables, the Group has guidelines governing the process of granting credit as a service or product provider in its respective segments of business. Trade and other receivables relate mainly to the Group's customers who bought its residential units and tenants from its commercial buildings, shopping malls and serviced residences. Investments and financial transactions are restricted to counterparties that meet the appropriate credit criteria and are of high credit standing.

The principal risk to which the Group and the Company is exposed in respect of financial guarantee contracts is credit risk in connection with the guarantee contracts it has issued. To mitigate the risks, management continually monitors the risks and has established processes including performing credit evaluations of the parties it is providing the guarantee on behalf of. Guarantees are only given for its subsidiaries and related parties. The maximum exposure to credit risk in respect of these financial guarantees at the balance sheet date is disclosed in note 35.

The Group has a diversified portfolio of businesses and as at balance sheet date, there were no significant concentration of credit risk with any entity. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the balance sheet, including derivative financial instruments as well as any irrevocable loan undertaking to associates and joint ventures.

(d) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group actively manages its debt maturity profile, operating cash flows and the availability of funding so as to ensure that all refinancing, repayment and funding needs are met. As part of its overall prudent liquidity management, the Group maintains sufficient level of cash or cash convertible investments to meet its working capital requirement. In addition, the Group strives to maintain available banking facilities at a reasonable level to its overall debt position. As far as possible, the Group will constantly raise committed funding from both capital markets and financial institutions and prudently balance its portfolio with some short term funding so as to achieve overall cost effectiveness.

The following are the expected contractual undiscounted cash flows of financial liabilities, including interest payments and excluding the impact of netting agreements:

		Contractual cash flows			
The Group	**Carrying amount $'000**	**Total $'000**	**Not later than 1 year $'000**	**Between 1 and 5 years $'000**	**After 5 years $'000**
2010					
Financial liabilities, at amortised cost					
Bank borrowings	4,650,665	5,301,788	1,040,837	3,906,332	354,619
Debt securities	5,707,378	7,236,635	1,043,486	999,658	5,193,491
Trade and other payables*	1,864,021	1,885,939	1,590,040	293,176	2,723
	12,222,064	14,424,362	3,674,363	5,199,166	5,550,833
Derivative financial liabilities, at fair value	9,983	17,595	12,049	5,175	371
	12,232,047	14,441,957	3,686,412	5,204,341	5,551,204

* *Excludes quasi-equity loans, excess of progress billings over work-in-progress, liability for employee benefits and provisions.*

33 FINANCIAL RISK MANAGEMENT *(cont'd)*

(d) Liquidity risk *(cont'd)*

The Group	Carrying amount $'000	Total $'000	Contractual cash flows Not later than 1 year $'000	Between 1 and 5 years $'000	After 5 years $'000
2009					
Financial liabilities, at amortised cost					
Bank borrowings	4,944,744	5,348,592	1,150,922	4,065,078	132,592
Debt securities	5,330,229	6,982,951	555,700	1,864,679	4,562,572
Finance leases	37,581	41,086	4,574	19,284	17,228
Trade and other payables*	1,895,405	1,925,871	1,538,956	377,589	9,326
	12,207,959	14,298,500	3,250,152	6,326,630	4,721,718
Derivative financial liabilities, at fair value	64,030	90,817	58,746	30,730	1,341
	12,271,989	14,389,317	3,308,898	6,357,360	4,723,059

The Company	Carrying amount $'000	Total $'000	Contractual cash flows Not later than 1 year $'000	Between 1 and 5 years $'000	After 5 years $'000
2010					
Financial liabilities, at amortised cost					
Debt securities	3,379,883	4,601,875	81,576	423,129	4,097,170
Trade and ther payables*	172,440	172,440	172,440	–	–
	3,552,323	4,774,315	254,016	423,129	4,097,170
2009					
Financial liabilities, at amortised cost					
Debt securities	3,305,801	4,707,607	81,576	423,129	4,202,902
Trade and other payables*	1,209,912	1,212,390	1,212,390	–	–
	4,515,713	5,919,997	1,293,966	423,129	4,202,902

* *Excludes quasi-equity loans, excess of progress billings over work-in-progress, liability for employee benefits and provisions.*

33 FINANCIAL RISK MANAGEMENT *(cont'd)*

(d) Liquidity risk *(cont'd)*

The following table indicates the periods in which the cash flows associated with derivatives that are cash flow hedges are expected to occur and affect the income statement:

The Group	Carrying amount $'000	Total $'000	Contractual cash flows Not later than 1 year $'000	Between 1 and 5 years $'000	After 5 years $'000
2010					
Interest rate swaps					
- liabilities	(10,441)	(19,031)	(10,311)	(7,846)	(874)
Forward start interest rate swaps					
- assets/(liabilities)	6,491	(484)	(3,218)	2,231	503
Forward exchange contracts					
- assets	291	291	291	–	–
	(3,659)	(19,224)	(13,238)	(5,615)	(371)
2009					
Interest rate swaps					
- liabilities	(44,190)	(72,430)	(34,075)	(35,543)	(2,812)
Forward start interest rate swaps					
- assets/(liabilities)	3,001	5,419	(865)	4,813	1,471
	(41,189)	(67,011)	(34,940)	(30,730)	(1,341)

(e) Fair values

The following methods and assumptions are used to estimate the fair values of the following significant classes of financial instruments:

(i) Derivatives

The fair value of derivatives financial instruments is based on their market prices or brokers' quotes.

(ii) Non-derivative financial liabilities

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted using the market rate of interest at the reporting date. In respect of the liability component of convertible bonds, the fair value at initial recognition is determined using a market rate of interest of similar liabilities that do not have a conversion option.

(iii) Other financial assets and liabilities

The fair value of quoted securities is their quoted bid price at the balance sheet date. The carrying amounts of financial assets and liabilities with a maturity of less than one year (including trade and other receivables, cash and cash equivalents and trade and other payables) are assumed to approximate their fair values because of the short period to maturity. All other financial assets and liabilities are discounted to determine their fair values.

Where discounted cash flow techniques are used, estimated future cash flows are based on management's best estimates and the discount rate is a market-related rate for a similar instrument at the balance sheet.

33 FINANCIAL RISK MANAGEMENT *(cont'd)*

(e) Fair values *(cont'd)*

(iv) Fair value hierarchy

The table below analyses financial instruments carried at fair value, by valuation method as at 31 December 2010. The different levels have been defined as follows:

Level 1 : Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 : Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3 : Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Group	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
2010				
Available-for-sale financial assets	34,741	195,000	141,144	370,885
Derivative financial assets	–	12,823	–	12,823
	34,741	207,823	141,144	383,708
Derivative financial liabilities	–	(9,983)	–	(9,983)
	34,741	197,840	141,144	373,725
2009				
Available-for-sale financial assets	44,167	195,000	112,201	351,368
Derivative financial assets	–	2,006	–	2,006
	44,167	197,006	112,201	353,374
Derivative financial liabilities	–	(64,030)	–	(64,030)
	44,167	132,976	112,201	289,344

	The Group 2010 $'000	The Group 2009 $'000
The movements of financial assets classified under Level 3 are presented as follows:		
Balance as at 1 January	**112,201**	334,249
Translation differences	**–**	174
Additions	**12,471**	9,399
Capital distribution	**–**	(201)
Impairments recognised in income statement	**(5,752)**	(48,858)
Fair value gain/(losses) recognised in available-for-sale reserve	**22,224**	(812)
Exchanged for shares in a subsidiary	**–**	(181,750)
Balance as at 31 December	**141,144**	112,201

33 FINANCIAL RISK MANAGEMENT *(cont'd)*

(e) Fair values *(cont'd)*

(v) Accounting classifications and fair values

The fair values of financial assets and liabilities, together with the carrying amounts shown in the balance sheets, are as follows:

The Group	Note	Fair value – hedging instruments $'000	Loans and receivables $'000	Available-for-sale $'000	Other financial liabilities $'000	Total carrying amount $'000	Fair value $'000
2010							
Trade and other receivables	12	–	2,033,965	–	–	2,033,965	2,033,965
Cash and cash equivalents	15	–	7,190,064	–	–	7,190,064	7,190,064
Other non-current financial assets	9(a)	4,814	100,897	202,494	–	308,205	308,205
Other current financial assets	9(b)	8,009	–	195,000	–	203,009	203,009
		12,823	9,324,926	397,494	–	9,735,243	9,735,243
Trade and other payables#		–	–	–	1,864,021	1,864,021	1,864,021
Bank borrowings	18	–	–	–	4,650,665	4,650,665	4,650,665
Debt securities	19	–	–	–	5,707,378	5,707,378	6,006,225
Derivative financial liabilities		9,983	–	–	–	9,983	9,983
		9,983	–	–	12,222,064	12,232,047	12,530,894
2009							
Trade and other receivables	12	–	1,255,361	–	–	1,255,361	1,255,361
Cash and cash equivalents	15	–	8,729,718	–	–	8,729,718	8,729,718
Other non-current financial assets	9(a)	569	39,634	193,156	–	233,359	233,359
Other current financial assets	9(b)	1,437	–	195,000	–	196,437	196,437
		2,006	10,024,713	388,156	–	10,414,875	10,414,875
Trade and other payables#		–	–	–	1,895,405	1,895,405	1,895,405
Bank borrowings	18	–	–	–	4,944,744	4,944,744	4,944,744
Debt securities	19	–	–	–	5,330,229	5,330,229	5,590,464
Finance leases	20	–	–	–	37,581	37,581	37,581
Derivative financial liabilities		64,030	–	–	–	64,030	64,030
		64,030	–	–	12,207,959	12,271,989	12,532,224

The Company	Note	Loans and receivables $'000	Other financial liabilities $'000	Total carrying amount $'000	Fair value $'000
2010					
Trade and other receivables	12	1,163,355	–	1,163,355	1,163,355
Cash and cash equivalents	15	53,954	–	53,954	53,954
		1,217,309	–	1,217,309	1,217,309
Trade and other payables#		–	172,440	172,440	172,440
Debt securities	19	–	3,379,883	3,379,883	3,674,251
		–	3,552,323	3,552,323	3,846,691

Excludes quasi-equity loans, excess of progress billings over work-in-progress, liability for employee benefits and provisions.

33 FINANCIAL RISK MANAGEMENT *(cont'd)*

(e) Fair values *(cont'd)*

(v) Accounting classifications and fair values (cont'd)

The Company	Note	Loans and receivables $'000	Other financial liabilities $'000	Total carrying amount $'000	Fair value $'000
2009					
Trade and other receivables	12	87,590	–	87,590	87,590
Cash and cash equivalents	15	2,356,466	–	2,356,466	2,356,466
		2,444,056	–	2,444,056	2,444,056
Trade and other payables#		–	1,209,912	1,209,912	1,209,912
Debt securities	19	–	3,305,801	3,305,801	3,560,279
		–	4,515,713	4,515,713	4,770,191

Excludes quasi-equity loans, excess of progress billings over work-in-progress, liability for employee benefits and provisions.

34 COMMITMENTS

As at the balance sheet date, the Group and the Company had the following commitments:

(a) Operating lease

The Group leases a number of offices under operating leases. The leases typically have tenure of three years, with an option to renew the lease after that date. Lease payments are usually revised at each renewal date to reflect the market rate. Future minimum lease payments for the Group and the Company on non-cancellable operating leases are as follows:

	The Group 2010 $'000	The Group 2009 $'000	The Company 2010 $'000	The Company 2009 $'000
Lease payments payable:				
Not later than 1 year	**108,090**	79,079	**4,850**	4,616
Between 1 and 5 years	**303,705**	158,920	**2,967**	7,135
After 5 years	**148,819**	50,665	**133**	133
	560,614	288,664	**7,950**	11,884

The Group leases out its investment properties. Non-cancellable operating lease rentals are receivable as follows:

	The Group 2010 $'000	The Group 2009 $'000	The Company 2010 $'000	The Company 2009 $'000
Lease rentals receivable:				
Not later than 1 year	**240,059**	332,206	**–**	–
Between 1 and 5 years	**719,737**	793,039	**–**	–
After 5 years	**448,855**	454,169	**–**	–
	1,408,651	1,579,414	**–**	–

34 COMMITMENTS *(cont'd)*

(b) Commitments

	The Group 2010 $'000	The Group 2009 $'000	The Company 2010 $'000	The Company 2009 $'000
Commitments in respect of:				
- capital expenditure contracted but not provided for in the financial statements	**3,385**	2,487	**193**	1,591
- development expenditure contracted but not provided for in the financial statements	**1,156,995**	1,136,801	**–**	–
- capital contribution/acquisition of associates, joint ventures and investee companies	**1,070,242**	1,591,752	**–**	–
- purchase of lands/properties contracted but not provided for in the financial statements	**1,505,318**	358,570	**–**	–
- shareholders' loan committed to associates, joint ventures and investee companies	**8,360**	8,360	**–**	–
	3,744,300	3,097,970	**193**	1,591

(c) As at the balance sheet date, the notional principal values of financial instruments are as follows:

	The Group 2010 $'000	The Group 2009 $'000	The Company 2010 $'000	The Company 2009 $'000
Interest rate caps	**–**	39,768	**–**	–
Interest rate swaps	**2,405,031**	1,934,657	**–**	–
Forward start interest rate swaps	**863,158**	729,269	**–**	–
Forward foreign exchange contracts	**394,976**	852,309	**–**	–
	3,663,165	3,556,003	**–**	–

(d) The maturity dates of these financial instruments are:

	The Group 2010 $'000	The Group 2009 $'000	The Company 2010 $'000	The Company 2009 $'000
Not later than 1 year	**1,344,967**	1,441,224	**–**	–
Between 1 and 5 years	**1,683,523**	1,664,347	**–**	–
After 5 years	**634,675**	450,432	**–**	–
	3,663,165	3,556,003	**–**	–

35 FINANCIAL GUARANTEE CONTRACTS

There are no terms and conditions attached to the financial guarantee contracts that would have a material effect on the amount, timing and uncertainty of the Group's and the Company's future cash flows. The Group and the Company issue guarantees only for their subsidiaries and related parties.

	The Group		The Company	
	2010	**2009**	**2010**	**2009**
	$'000	**$'000**	**$'000**	**$'000**
(a) Guarantees given to banks to secure banking facilities provided to:				
- subsidiaries	**–**	–	**2,935,350**	2,999,983
- associates	**143,024**	125,199	**–**	–
- joint ventures	**15,043**	19,486	**105**	4,367
- investee company	**–**	27,183	**–**	–
	158,067	171,868	**2,935,455**	3,004,350

(b) Undertakings by the Group and the Company:

(i) The Company has provided several undertakings on cost overrun, interest shortfall, completion and annualised gross rental, on a joint or several basis, in respect of term loan and revolving credit facilities amounting to $1,490.9 million, granted to a joint venture. As at 31 December 2010, the amount outstanding under the facilities was $1,060.1 million (2009: $1,478.3 million).

(ii) A subsidiary of the Group has provided several undertakings on cost overrun, security margin, interest shortfall and an indemnity for bankers' guarantee issuance on a several basis as well as a project completion undertaking on a joint and several basis, in respect of term loan and revolving construction facilities amounting to $476.5 million (2009: $605.2 million) and bankers' guarantee facility amounting to $54.8 million (2009: $54.8 million) granted to its subsidiary. As at 31 December 2010, the amount outstanding under the term loan facility was $376.5 million (2009: $376.5 million).

(iii) A subsidiary of the Group has provided several undertakings on cost overrun, security margin, interest shortfall and an indemnity for bankers' guarantee issuance on a several basis as well as a project completion undertaking on a joint and several basis, in respect of term loan and revolving construction facilities amounting to $1,486.1 million (2009: $1,370.0 million) and bankers' guarantee facility amounting to $133.9 million (2009: $133.9 million) granted to an associate. As at 31 December 2010, the total amount outstanding under the term loan and revolving construction facilities was $1,241.1 million (2009: $870.1 million).

(iv) A subsidiary of the Group has provided several undertakings on cost overrun, security margin, interest shortfall and an indemnity for bankers' guarantee issuance on a several basis as well as a project completion undertaking on a joint and several basis, in respect of term loan and revolving construction facilities amounting to $214.1 million (2009: $264.1 million) and bankers' guarantee facility amounting to $42.0 million (2009: $42.0 million) granted to a joint venture. As at 31 December 2010, the amount outstanding under the term loan facility was $176.1 million (2009: $226.1 million).

(v) A subsidiary of the Group has provided undertakings on cost overrun, security margin, interest shortfall and project completion in respect of a term loan facility amounting to US$40 million (or its equivalent in VND) granted to a subsidiary. As at 31 December 2010, the amount outstanding under the term loan facility was US$4.9 million and VND 239.96 billion.

(vi) A subsidiary of the Group has provided several undertakings on security margin and interest shortfall in respect of a $36.0 million (2009: Nil) term loan facility granted to its subsidiaries. As at 31 December 2010, the amount outstanding under the term loan facility was $36.0 million (2009: Nil).

35 FINANCIAL GUARANTEE CONTRACTS *(cont'd)*

(b) Undertakings by the Group and the Company *(cont'd)*:

(vii) Certain of the Group's subsidiaries in China, whose principal activities are the trading of development properties, would in the ordinary course of business act as guarantors for the bank loans taken by the buyers to finance the purchase of residential properties developed by these subsidiaries. As at 31 December 2010, the outstanding notional amount of the guarantees amounted to $61.2 million (2009: $55.2 million).

36 CONTINGENCIES

CapitaLand Limited has an effective 20% interest in the proposed Macao Studio City ("MSC") project through its minority holding in East Asia Satellite Television (Holdings) Limited ("East"), a joint venture company with eSun Holdings Limited ("eSun"). The MSC project is held by East and New Cotai LLC ("New Cotai") in the proportions of 60% and 40% respectively, through Cyber One Agents Limited ("Cyber One").

On 14 October 2010, New Cotai Entertainment LLC ("NCE"), an affiliate company of New Cotai, issued a writ in the High Court of Hong Kong, Special Administrative Region against, amongst others, CapitaLand Limited and CapitaLand Integrated Resorts Pte Ltd ("CIR"). CIR is a shareholder of East. The writ was served on CapitaLand and CIR on 4 November 2010.

The writ alleged that East Asia Televisao por Satelite, Limitada ("MacauCo") has breached its contract with NCE in relation to a lease of premises in the MSC for NCE's casino operations ("Casino Lease"). MacauCo is the Macau-incorporated subsidiary of Cyber One which directly owns the MSC project. NCE has sued CapitaLand and CIR for inducement and/or procurement of breach of contract by MacauCo and conspiracy with eSun and others to use unlawful means with the intention of injuring NCE by doing whatever was necessary to ensure that MacauCo did not sign the definitive agreement in relation to the Casino Lease. NCE is claiming specific performance from MacauCo of the execution of the definitive agreement for the Casino Lease as well as damages from the parties named as defendants in the writ (namely, CapitaLand, CIR, eSun, East and MacauCo) in addition to, or instead of, such specific performance. The amount of the damages sought was not specified in the writ.

The Group and the Company understand that East has complied with all material obligations relevant to the joint venture. CapitaLand's minority indirect stake gives it limited influence over the implementation of the MSC project. The Group and the Company believe that the allegations in the writ are without merit and accordingly, no amount is provided in respect of this matter.

37 SIGNIFICANT RELATED PARTY TRANSACTIONS

For the purposes of these financial statements, parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

The Group considers the directors of the Company, and the Council of CEOs comprising the President & CEO, key management officers of the corporate office and CEOs of the strategic business units, to be key management personnel in accordance with FRS 24 *Related Party Disclosures*.

37 SIGNIFICANT RELATED PARTY TRANSACTIONS *(cont'd)*

In addition to the related party information disclosed elsewhere in the financial statements, there were significant related party transactions which were carried out in the normal course of business on terms agreed between the parties during the financial year as follows:

	The Group		The Company	
	2010 $'000	**2009 $'000**	**2010 $'000**	**2009 $'000**
Subsidiaries				
Management fee income	**–**	–	**66,061**	47,920
Rental income	**–**	–	**–**	70
IT and administrative support services	**–**	–	**1,525**	1,317
Rental expense	**–**	–	**–**	(352)
Others	**–**	–	**(710)**	(240)
Associates and Joint Ventures				
Management fee income	**280,953**	302,407	**–**	–
Rental expense	**(10,345)**	(12,278)	**(4,005)**	(2,869)
Proceeds from sale of properties and investments*	**1,972,267**	415,731	**–**	–
Construction and project management income	**36,470**	22,676	**–**	–
Accounting service fee, acquisition fee, divestment fee, marketing income and others	**60,503**	35,446	**(268)**	(346)

* *The Group has deferred a portion of the profit from the sale of these properties and investments based on its retained investments in the associates.*

	The Group		The Company	
	2010 $'000	**2009 $'000**	**2010 $'000**	**2009 $'000**
Key Management Personnel				
Subscription of shares in the Company pursuant to its rights issue	**–**	2,537	**–**	1,929
Subscription of shares in a subsidiary and an associate pursuant to their initial public offering	**–**	3,757	**–**	2,542
Subscription of shares in associates pursuant to their rights issues	**–**	2,301	**–**	–
Subscription of shares in an associate pursuant to its preferential offering	**178**	–	**171**	–
Subscription of bonds/notes issued by the Company and its indirect subsidiary	**–**	3,250	**–**	2,250
Interest paid/payable by the Company, its indirect subsidiary and associates	**339**	244	**283**	172
Professional fees paid/payable to a director and a firm in which a director is a member	**80**	175	**3**	85
Sale of residential properties by the subsidiaries	**18,151**	–	**16,954**	–
Rental income received/receivable from a corporation in which a director has an interest	**396**	779	**396**	779
Remuneration of Key Management Personnel				
Salary, bonus and other benefits	**23,806**	25,229	**11,974**	10,832
Employer's contributions to defined contribution plans	**106**	95	**27**	28
Equity compensation benefits	**8,946**	9,076	**4,974**	3,251
	32,858	34,400	**16,975**	14,111

38 SUBSIDIARIES

(a) The significant subsidiaries directly held by the Company which are incorporated and conducting business in the Republic of Singapore are as set out below:

Name of Company	Percentage held by the Company 2010 %	2009 %
CapitaLand Asia Pte Ltd	**100**	100
CapitaLand Commercial Limited	**100**	100
CapitaLand Financial Limited	**100**	100
CapitaLand GCC Holdings Pte Ltd	**100**	100
CapitaLand ILEC Pte Ltd	**100**	100
CapitaLand Residential Limited	**100**	100
CapitaLand Treasury Limited	**100**	100
CapitaMalls Asia Limited	**65.5**	65.5
CapitaValue Homes Limited (formerly known as CapitaLand Industrial & Logistics Holdings Limited)	**100**	100
Somerset Capital Pte Ltd	**–** #	100
The Ascott Limited	**100**	100

Transferred to The Ascott Limited during the year. See note 38(b)(v).

(b) Other significant subsidiaries in the Group are as follows:

Name of Company	Place of Incorporation	Effective Interest held by the Group 2010 %	2009 %
(i) Directly or indirectly held by CapitaLand Residential Limited:			
Ausprop Holdings Limited	Singapore	**100**	100
Australand	Australia	**59.3**	59.3
Austvale Holdings Ltd	Singapore	**100**	100
CapitaLand China Holdings Pte Ltd	Singapore	**100**	100
CapitaLand Residential Singapore Pte Ltd	Singapore	**100**	100
CRL Realty Pte Ltd	Singapore	**100**	100
Leonie Court Pte Ltd	Singapore	**100**	100
Phoenix Realty Pte Ltd	Singapore	**100**	100

38 SUBSIDIARIES *(cont'd)*

Name of Company	Place of Incorporation	Effective Interest held by the Group 2010 %	2009 %
(ii) Directly or indirectly held by CapitaLand China Holdings Pte Ltd:			
[1] Beijing Xin Xu Real Estate Dev Co., Ltd	The People's Republic of China	**100**	100
CapitaLand China Income Fund	Singapore	**100**	100
[1] CapitaLand (China) Investment Co., Ltd	The People's Republic of China	**100**	100
[4] CapitaLand China (RE) Holdings Co., Ltd	Cayman Islands	**100**	–
CapitaLand Integrated Resort Pte Ltd	Singapore	**100#**	–
CapitaLand (Sichuan) Holdings Pte Ltd	Singapore	**100**	100
[1] Dongjin Real Estate Development (Tian Jin) Co., Ltd	The People's Republic of China	**100**	–
[1] Kunshan Kunan Property Co., Ltd.	The People's Republic of China	**70.0**	–
[1] Longtex Investment Limited	Hong Kong	**100**	–
[3] Shenzhen Municipal Golden Dragon Property Development Ltd	The People's Republic of China	**50.2**	50.2
[1] Shanghai Orient Overseas Yongye Real Estate Co., Ltd.	The People's Republic of China	**99.0**	–
[1] Xin Yue Property (Shanghai) Co., Ltd	The People's Republic of China	**80.0**	–

Transferred from CapitaLand ILEC Pte Ltd during the year. See note 38(b)(viii).

Name of Company	Place of Incorporation	2010 %	2009 %
(iii) Directly or indirectly held by CapitaLand Commercial Limited:			
Adelphi Property Pte Ltd	Singapore	**100**	100
CapitaLand (Office) Investments Pte Ltd	Singapore	**100**	100
[1] Capitaland – Vista Joint Venture Co., Ltd	Vietnam	**80.0**	80.0
CapitaLand (Vietnam) Holdings Pte Ltd	Singapore	**100**	100
E-Pavilion Pte Ltd	Singapore	**100**	100
SBR Private Limited	Singapore	**100**	100
Wan Tien Realty (Pte) Ltd	Singapore	**100**	100

38 SUBSIDIARIES *(cont'd)*

Name of Company	Place of Incorporation	Effective Interest held by the Group 2010 %	2009 %
(iv) Directly or indirectly held by CapitaMalls Asia Limited:			
CapitaLand Retail China Pte Ltd	Singapore	**65.5**	65.5
CapitaLand Retail (MY) Pte Ltd	Singapore	**65.5**	65.5
CapitaLand Retail Singapore Investments Pte Ltd	Singapore	**65.5**	65.5
CapitaMall Trust Management Limited	Singapore	**65.5**	65.5
CapitaRetail China Investments Pte Ltd	Singapore	**65.5**	65.5
Pyramex Investments Pte Ltd	Singapore	**65.5**	65.5
(v) Directly or indirectly held by The Ascott Limited:			
[1] Ascott Group (Jersey) Limited	Jersey, United Kingdom	**100**	100
Ascott International Management (2001) Pte Ltd	Singapore	**100**	100
[1] Ascott Property Management (Beijing) Co., Ltd	The People's Republic of China	**100**	100
Ascott Residence Trust Management Limited	Singapore	**100**	100
Ascott Serviced Residence (China) Fund Mgt Pte Ltd	Singapore	**100**	100
[1] Citadines Melbourne on Bourke Pty Ltd	Australia	**100**	100
[1] Hemliner Real Estate (Beijing) Co., Ltd	The People's Republic of China	**100**	–
The Ascott Capital Pte Ltd	Singapore	**100**	100
The Ascott (Europe) Pte Ltd	Singapore	**100**	100
Somerset Capital Pte Ltd	Singapore	**100**[#]	–

[#] *Transferred from CapitaLand Limited during the year. See note 38(a).*

38 SUBSIDIARIES *(cont'd)*

Name of Company	Place of Incorporation	Effective Interest held by the Group 2010 %	2009 %
(vi) Directly or indirectly held by CapitaLand Financial Limited:			
CapitaLand China Development Fund Management Private Limited	Singapore	**100**	100
CapitaCommercial Trust Management Limited	Singapore	**100**	100
CapitaLand Financial Investments Ltd	Singapore	**100**	100
CapitaLand Fund Investment Pte Ltd	Singapore	**100**	100
CapitaLand Nippon Investments Pte Ltd	Singapore	**100**	100
CapitaLand RECM Pte Ltd	Singapore	**100**	100
RCCF Management Pte Ltd	Singapore	**100**	100
(vii) Directly or indirectly held by Australand:			
[2] Australand Finance Limited	Australia	**59.3**	59.3
[2] Australand Funds Management Limited	Australia	**59.3**	59.3
[2] Australand HK Company Limited	Hong Kong	**59.3**	59.3
[2] Australand Investments Limited	Australia	**59.3**	59.3
[2] Australand Property Group Pty Limited (formerly known as Rylehall Pty Limited)	Australia	**59.3**	59.3
[2] Australand Property Trust	Australia	**59.3**	59.3
[2] Australand Property Trust No. 4	Australia	**59.3**	59.3
[2] Australand Property Trust No. 5	Australia	**59.3**	59.3
[2] Australand Property Limited	Australia	**59.3**	59.3
[2] Australand Wholesale Holdings Limited	Australia	**59.3**	59.3
[2] Australand Wholesale Investments No. 5 Limited	Australia	**59.3**	59.3
[2] Australand Wholesale Investments (Custodian) Limited	Australia	**59.3**	59.3
[2] Freshwater Residential Unit Trust	Australia	**59.3**	59.3
[2] Port Catherine Developments Pty Ltd	Australia	**59.3**	59.3

38 SUBSIDIARIES *(cont'd)*

Name of Company	Place of Incorporation	Effective Interest held by the Group 2010 %	2009 %
(viii) Directly held by CapitaLand ILEC Pte Ltd:			
CapitaLand Integrated Resort Pte Ltd	Singapore	**–** #	100
Kestrel Pte Ltd	Singapore	**100**	100

\# *Transferred to CapitaLand China Holdings Pte Ltd during the year. See note 38(b)(ii).*

Name of Company	Place of Incorporation	2010 %	2009 %
(ix) Directly or indirectly held by CapitaLand GCC Holdings Pte Ltd:			
[1] CapitaLand Bahrain Bay Business Services WLL	Bahrain	**100**	100
CapitaLand GCC (Bahrain) Pte Ltd	Singapore	**100**	100

Notes:

All significant subsidiaries are audited by KPMG LLP Singapore except for the following:

1 *Audited by other member firms of KPMG International.*

2 *Audited by PricewaterhouseCoopers and its associated firms.*

3 *Audited by Shenzhen Yida Certified Public Accountants.*

4 *Not required to be audited by law in the country of incorporation.*

39 ASSOCIATES

Details of significant associates are as follows:

Name of Company	Place of Incorporation	Effective Interest held by the Group 2010 %	2009 %
(i) Held by The Ascott Limited:			
Ascott Residence Trust	Singapore	**47.8**	47.5
(ii) Indirectly held by CapitaLand China Holdings Pte Ltd:			
CapitaLand China Development Fund Pte Ltd	Singapore	**37.5**	37.5
[1] Central China Real Estate Ltd	Cayman Islands	**27.1**	27.1
[2] East Asia Satellite Television (Holdings) Limited	British Virgin Islands	**33.3**@	–
[2] Lai Fung Holdings Limited	Cayman Islands	**20.0**	20.0

39 ASSOCIATES *(cont'd)*

Name of Company	Place of Incorporation	Effective Interest held by the Group 2010 %	2009 %
Raffles City China Fund Ltd	Cayman Islands	**45.2***	44.8*
Senning Property Ltd	British Virgin Islands	**38.8#**	–

@ *Transferred from CapitaLand ILEC Pte Ltd during the year. See note 39(vi).*

* *Includes 9.8% interest indirectly held through CapitaMalls Asia Limited.*

\# *Includes 11.8% interest indirectly held through CapitaMalls Asia Limited.*

(iii) Indirectly held by CapitaLand Commercial Limited:

CapitaCommercial Trust	Singapore	**31.8#**	31.6#
[3] DBS China Square Limited	Singapore	**30.0**	30.0

\# *Includes 2.6% and 2.3% interests indirectly held through CapitaLand Financial Limited as at end-2010 and end-2009 respectively.*

(iv) Indirectly held by CapitaMalls Asia Limited:

CapitaMall Trust *	Singapore	**19.6**	19.6
[1] CapitaMalls Malaysia Trust	Malaysia	**27.3**	–
CapitaRetail Japan Fund Private Limited *	Singapore	**17.2**	17.2
CapitaRetail China Trust *	Singapore	**17.9**	17.7
CapitaRetail China Development Fund	Singapore	**29.5**	29.5
CapitaRetail China Development Fund II	Singapore	**29.5**	29.5
CapitaRetail China Incubator Fund *	Singapore	**19.7**	19.7
CapitaRetail India Development Fund	Singapore	**29.8**	29.8

* *Considered to be an associate as the Group has significant influence over the financial and operating policy decisions of the investee through its subsidiary CapitaMalls Asia Limited.*

(v) Indirectly held by CapitaLand Financial Limited:

[1] CapitaLand AIF Ltd	Cayman Islands	**44.4**	44.4

(vi) Indirectly held by CapitaLand ILEC Pte Ltd:

[2] East Asia Satellite Television (Holdings) Limited	British Virgin Islands	**– †**	33.3

† *Transferred to CapitaLand China Holdings Pte Ltd during the year. See note 39(ii).*

39 ASSOCIATES *(cont'd)*

Name of Company	Place of Incorporation	Effective Interest held by the Group 2010 %	2009 %
(vii) Indirectly held by CapitaLand GCC Holdings Pte Ltd:			
[1] Raffles City Bahrain Fund Ltd	Cayman Islands	**40.9**	37.7

Notes:

All significant associates are audited by KPMG LLP Singapore except for the following:

1 Audited by other member firms of KPMG International.

2 Audited by Ernst & Young and its associated firms.

3 Audited by PricewaterhouseCoopers and its associated firms.

40 JOINT VENTURES

Details of significant joint ventures are as follows:

Name of Company	Place of Incorporation	Effective Interest held by the Group 2010 %	2009 %
(i) Directly held by CapitaLand Asia Pte Ltd:			
[1] T.C.C. Capital Land Limited	Thailand	**40.0**	40.0
(ii) Directly held by CapitaLand Financial Limited:			
[2] I.P. Real Estate Asset Management (Asia) Limited	Singapore	**50.0**	50.0
(iii) Indirectly held by CapitaMalls Asia Limited:			
Orchard Turn Holding Pte Ltd	Singapore	**32.8**	32.8
(iv) Indirectly held by CapitaLand GCC Holdings Pte Ltd:			
[1] Mubadala CapitaLand Real Estate LLC	United Arab Emirates	**49.0**	49.0

Notes:

All significant joint ventures are audited by KPMG LLP Singapore except for the following:

1 Audited by other member firms of KPMG International.

2 Audited by Ernst & Young and its associated firms.

41 OPERATING SEGMENTS

Management determines the operating segments based on the reports reviewed and used by the Council of CEOs for strategic decisions making and resources allocation. For management purposes, the Group is organised into strategic business units based on their products, services and geography.

The Group's reportable operating segments are as follows:

(i) CapitaLand Residential Singapore – develops residential properties in Singapore for sale and covers a wide spectrum of the residential market in Singapore.

(ii) CapitaLand China Holdings – involves in the residential, commercial and integrated property development sectors in China.

(iii) CapitaLand Commercial – owner/manager of commercial and industrial properties in Singapore, Malaysia and United Kingdom. It also develops residential projects in Vietnam, Malaysia, India and Thailand.

(iv) Ascott – an international serviced residence owner-operator with operations in key cities of Asia Pacific, Europe and the Gulf region. It operates three brands, namely Ascott, Somerset and Citadines.

(v) CapitaLand Financial – involves in real estate fund management and financial advisory services.

(vi) CapitaMalls Asia – shopping mall owner/manager with portfolio in Singapore, China, India, Japan and Malaysia.

(vii) Australand – a major diversified property group with activities in residential, commercial and industrial developments and investment properties across Australia.

(viii) Others – includes Corporate Office, Group Treasury and the Group's new businesses.

Information regarding the operations of each reportable segment is included below. Management monitors the operating results of each of its business unit for the purpose of making decisions on resource allocation and performance assessment. Performance is measured based on segment earnings before interest and tax ("EBIT"). EBIT is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Group financing (including finance costs) and income taxes are managed on a group basis and are not allocated to operating segments. Segment assets and liabilities are presented net of inter segment balances. Inter-segment pricing is determined on arm's length basis.

Geographically, management reviews the performance of the businesses in Singapore, China, Other Asia, Australia and Europe. In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of customers. Non-current assets and total assets are based on the geographical location of the assets.

41 OPERATING SEGMENTS *(cont'd)*

Operating Segments – 31 December 2010

	CapitaLand Residential Singapore $'000	CapitaLand China Holdings $'000	CapitaLand Commercial $'000	Ascott $'000	CapitaLand Financial $'000	CapitaMalls Asia $'000	Australand $'000	Others $'000	Elimination $'000	Group $'000
Revenue										
External revenue	843,203	569,808	332,344	400,589	114,333	242,506	879,796	163	–	**3,382,742**
Inter-segment revenue	–	3,665	5,409	6,772	1,834	2,896	–	281,850	(302,426)	**–**
Total Revenue	843,203	573,473	337,753	407,361	116,167	245,402	879,796	282,013	(302,426)	**3,382,742**
Segmental Results										
Company and subsidiaries	363,219	543,645	70,464	93,837	83,219	127,527	313,772	247,580	(279,918)	**1,563,345**
Associates	(18,291)	129,601	167,097	79,899	12,053	101,275	4,156	3,278	20,289	**499,357**
Joint ventures	6,581	9,149	26,651	(726)	7,768	243,631	28,441	–	–	**321,495**
Earnings Before Interest and Taxation	351,509	682,395	264,212	173,010	103,040	472,433	346,369	250,858	(259,629)	**2,384,197**
Finance costs										**(448,183)**
Taxation										**(265,907)**
Profit for the year										**1,670,107**
Segment Assets	2,096,710	7,035,688	2,744,914	3,315,287	271,398	6,944,427	4,675,853	11,315,621	(6,699,678)	**31,700,220**
Segment Liabilities	842,182	1,633,740	793,948	1,215,607	54,801	940,535	1,821,772	6,380,173	–	**13,682,758**
Other segment items:										
Interest income	17,691	9,749	5,780	7,563	13	26,037	4,199	11,995	–	**83,027**
Depreciation and amortisation	(582)	(6,876)	(2,914)	(30,248)	(351)	(7,207)	(5,239)	(6,208)	–	**(59,625)**
Impairment losses for assets	–	(11)	(31,276)	(29,021)	(1)	(284)	–	(1,545)	–	**(62,138)**
Fair value gains on investment properties	–	266,420	17,013	16,837	–	37,375	56,878	62	–	**394,585**
Share-based expenses	(1,124)	(4,343)	(6,551)	(4,330)	(1,739)	(8,997)	(2,273)	(9,771)	–	**(39,128)**
Gains on disposal of investments	–	184,061	150	70,906	12,970	12,333	–	24	–	**280,444**
Interests in associates	257,870	1,894,077	1,459,331	822,926	142,494	3,121,472	40,082	76,814	434,076	**8,249,142**
Interests in joint ventures	111,680	124,470	190,818	38,798	6,781	1,043,657	342,818	2,210	–	**1,861,232**
Capital expenditure*	756	16,684	66,214	94,168	61	95,178	182,189	5,277	–	**460,527**

* *Capital expenditure consists of additions of property, plant and equipment, investment properties and intangible assets.*

41 OPERATING SEGMENTS *(cont'd)*

Operating Segments – 31 December 2009

	CapitaLand Residential Singapore $'000	CapitaLand China Holdings $'000	CapitaLand Commercial $'000	Ascott $'000	CapitaLand Financial $'000	CapitaMalls Asia $'000	Australand $'000	Others $'000	Elimination $'000	Group $'000
Revenue										
External revenue	673,782	641,970	133,367	388,368	158,136	223,000	732,490	6,246	–	**2,957,359**
Inter-segment revenue	–	4,987	11,560	5,343	4,036	5,946	–	271,637	(303,509)	**–**
Total Revenue	673,782	646,957	144,927	393,711	162,172	228,946	732,490	277,883	(303,509)	**2,957,359**
Segmental Results										
Company and subsidiaries	322,892	353,167	(246,916)	52,316	111,838	32,595	(168,126)	1,133,413	(311,356)	**1,279,823**
Associates	(24,916)	188,892	(240,287)	(19,629)	(13,466)	(50,658)	(1,658)	(45,395)	9,156	**(197,961)**
Joint ventures	73,732	9,128	(10,158)	(1,270)	(400)	467,174	(71,050)	–	–	**467,156**
Earnings Before Interest and Taxation	371,708	551,187	(497,361)	31,417	97,972	449,111	(240,834)	1,088,018	(302,200)	**1,549,018**
Finance costs										**(453,922)**
Taxation										**(86,462)**
Profit for the year										**1,008,634**
Segment Assets	2,316,567	3,520,170	2,580,886	3,755,397	222,068	6,482,363	4,373,107	13,880,855	(6,965,399)	**30,166,014**
Segment Liabilities	779,252	848,743	782,665	1,758,712	47,093	973,514	1,617,365	6,478,907	–	**13,286,251**
Other segment items:										
Interest income	17,181	10,133	5,897	2,311	(138)	23,517	5,903	11,746	–	**76,550**
Depreciation and amortisation	(787)	(2,197)	(5,006)	(37,906)	(713)	(6,563)	(3,747)	(6,111)	–	**(63,030)**
Impairment losses for assets	–	(1,557)	(176,179)	(7,633)	(5)	(221)	–	(73,363)	–	**(258,958)**
Fair value gains/(losses) on investment properties	–	185,723	(77,569)	729	–	(98,970)	(235,845)	–	–	**(225,932)**
Share-based expenses	(1,962)	(3,028)	(4,687)	(3,541)	(2,602)	(5,245)	(1,117)	(6,545)	–	**(28,727)**
Gains on disposal of investments	–	18,889	29,474	25,373	1	52,817	–	897,843	–	**1,024,397**
Interests in associates	240,059	1,320,496	1,357,786	538,872	140,307	2,997,218	38,831	178,577	200,028	**7,012,174**
Interests in joint ventures	114,467	219,424	167,570	40,046	(962)	794,830	334,488	2,193	–	**1,672,056**
Capital expenditure*	448	384,663	2,102	190,735	281	92,555	142,703	1,992	–	**815,479**

* *Capital expenditure consists of additions of property, plant and equipment, investment properties and intangible assets.*

41 OPERATING SEGMENTS *(cont'd)*

Geographic Information

2010	Singapore $'000	China* $'000	Other Asia# $'000	Australia $'000	Europe $'000	Others@ $'000	Total $'000
External Revenue	1,200,843	711,336	291,706	916,159	227,391	35,307	**3,382,742**
Non-current Assets^	6,604,807	5,376,659	1,222,136	3,148,591	88	–	**16,352,281**
Total Assets	13,879,760	10,095,610	2,327,792	4,929,458	424,012	43,588	**31,700,220**
2009							
External Revenue	978,996	773,914	163,291	755,689	248,189	37,280	**2,957,359**
Non-current Assets^	6,488,552	3,814,030	1,720,267	2,975,908	1,033,554	–	**16,032,311**
Total Assets	15,772,857	6,197,750	2,363,928	4,568,785	1,209,408	53,286	**30,166,014**

* *China includes Hong Kong and Macau.*

\# *Other Asia includes Indonesia, Japan, Malaysia, Philippines, Thailand, Korea, India, Vietnam and Gulf Cooperation Council countries.*

@ *Others includes the Cayman Islands.*

^ *Non-current assets comprised property, plant and equipment, intangible assets, investment properties and interests in associates and joint ventures.*

42 NEW ACCOUNTING STANDARDS AND INTERPRETATIONS NOT YET ADOPTED

The Group has not applied the following accounting standards (including their consequential amendments) and interpretations that have been issued as of the balance sheet date but are not yet effective:

- Revised FRS 24 *Related Party Disclosures*
- Amendments to FRS 32 *Financial Instruments: Presentation – Classification of Rights Issues*
- Amendments to FRS 101 *Limited Exemption from Comparative FRS 107 Disclosures for First-Time Adopters*
- Amendments to INT FRS 114 – *Prepayments of a Minimum Funding Requirement*
- INT FRS 115 *Agreements for the Construction of Real Estate*
- INT FRS 119 *Extinguishing Financial Liabilities with Equity Instruments*

INT FRS 115 which is effective for financial period commencing from 1 January 2011 clarifies when revenue and related expenses from a sale of a real estate unit should be recognised if an agreement between a developer and a buyer is reached before the construction of the real estate is completed. INT FRS 115 clarifies that contracts which do not classify as construction contracts in accordance with FRS 11 can only be accounted for under the percentage of completion method if the entity continuously transfers to the buyer control and the significant risks and rewards of ownership of the work-in-progress in its current state as construction progresses.

The Group's current accounting policy for all residential property sales was to recognise revenue on percentage of completion method which is an allowed alternative method under Recommended Accounting Practise 11 – *Pre-Completion Contracts For The Sale Of Development Property* ("RAP 11"). RAP 11 will be withdrawn with effect from 1 January 2011 following the adoption of INT FRS 115.

42 NEW ACCOUNTING STANDARDS AND INTERPRETATIONS NOT YET ADOPTED *(cont'd)*

The Group has considered the application of INT FRS 115 and the accompanying practice note issued specifically in the context of the sale of development properties in Singapore, and concluded that whilst the "pre-completion" sale contracts were not, in substance, construction contracts, the legal terms in certain contracts result in the continuous transfer of work-in-progress to the purchaser. Consequently, the Group will continue to adopt the percentage of completion method of revenue recognition for residential projects under progressive payment schemes in Singapore and hence for these contracts; revenue is recognised as work progresses. For the residential projects under deferred payment scheme in Singapore and overseas residential projects, the construction revenue and expenses will be accounted for under the completion of construction method as stipulated in INT FRS 115, where applicable.

The estimated impact of this change in accounting policy is set out below:

	The Group 2010 $'000
Increase in revenue from trading of properties	**650**
Increase in profit attributable to owners of the Company	**152,539**
Decrease in net assets	**(152,258)**
Increase in basis earning per share (cents)	**3.6**
Increase in diluted earning per share (cents)	**3.3**

Revised FRS 24 *Related Party Disclosures* modifies the definition of a related party and simplifies disclosures for government-related entities. The Group does not expect any impact on its financial position or performance, however, disclosures regarding related party transactions and balances in these consolidated financial statements may be affected when the revised version of the Standard is applied in future accounting periods.

Except for INT FRS 115 *Agreements for the Construction of Real Estate*, the initial application of these standards (and its consequential amendments) and interpretations is not expected to have a material impact on the Group's financial statements. The Group has not considered the impact of accounting standards issued after the balance sheet date.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the Company will be held at the STI Auditorium, 168 Robinson Road, Level 9, Capital Tower, Singapore 068912, on Monday, 25 April 2011 at 10.00 a.m. to transact the following business:

AS ORDINARY BUSINESS

1 To receive and adopt the Directors' Report and Audited Financial Statements for the year ended 31 December 2010 and the Auditors' Report thereon.

2 To declare a first and final 1-tier dividend of S$0.06 per share for the year ended 31 December 2010.

3 To approve Directors' fees of S$1,409,220 for the year ended 31 December 2010 (2009: S$1,183,331).

4 To re-appoint the following Directors, who are retiring under Section 153(6) of the Companies Act, Cap. 50 of Singapore (the "Companies Act"), to hold office from the date of this Annual General Meeting until the next Annual General Meeting:

(a) Dr Hu Tsu Tau
(b) Mr Richard Edward Hale

5 To re-elect the following Directors, who are retiring by rotation pursuant to Article 95 of the Articles of Association of the Company and who, being eligible, offer themselves for re-election:

(a) Mr James Koh Cher Siang
(b) Mrs Arfat Pannir Selvam

6 To re-elect Mr Simon Claude Israel, a Director who is retiring pursuant to Article 101 of the Articles of Association of the Company and who, being eligible, offers himself for re-election.

7 To re-appoint Messrs KPMG LLP as Auditors of the Company and to authorise the Directors to fix their remuneration.

8 To transact such other ordinary business as may be transacted at an Annual General Meeting of the Company.

AS SPECIAL BUSINESS

9 To consider and, if thought fit, to pass with or without any modification, the following resolutions as Ordinary Resolutions:

9A That pursuant to Section 161 of the Companies Act, authority be and is hereby given to the Directors of the Company to:

(a) (i) issue shares in the capital of the Company ("shares") whether by way of rights, bonus or otherwise; and/or

(ii) make or grant offers, agreements or options (collectively, "Instruments") that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into shares,

at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may in their absolute discretion deem fit; and

(b) (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue shares in pursuance of any Instrument made or granted by the Directors while this Resolution was in force,

provided that:

(1) the aggregate number of shares to be issued pursuant to this Resolution (including shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed fifty per cent. (50%) of the total number of issued shares (excluding treasury shares) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of shares to be issued other than on a *pro rata* basis to shareholders of the Company (including shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed ten per cent. (10%) of the total number of issued shares (excluding treasury shares) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below);

(2) (subject to such manner of calculation as may be prescribed by the Singapore Exchange Securities Trading Limited ("SGX-ST")) for the purpose of determining the aggregate number of shares that may be issued under sub-paragraph (1) above, the total number of issued shares (excluding treasury shares) shall be based on the total number of issued shares (excluding treasury shares) in the capital of the Company at the time this Resolution is passed, after adjusting for:

(I) new shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which are outstanding or subsisting at the time this Resolution is passed; and

(II) any subsequent bonus issue, consolidation or subdivision of shares;

AS SPECIAL BUSINESS *(cont'd)*

(3) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the Articles of Association for the time being of the Company; and

(4) (unless revoked or varied by the Company in general meeting) the authority conferred by this Resolution shall continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier.

9B That the Directors of the Company be and are hereby authorised to:

(a) grant awards in accordance with the provisions of the CapitaLand Performance Share Plan 2010 (the "Performance Share Plan") and/or the CapitaLand Restricted Share Plan 2010 (the "Restricted Share Plan"); and

(b) allot and issue from time to time such number of shares in the capital of the Company as may be required to be issued pursuant to the vesting of awards under the Performance Share Plan and/or the Restricted Share Plan,

provided that the aggregate number of shares to be issued, when aggregated with existing shares (including treasury shares and cash equivalents) delivered and/or to be delivered pursuant to the Performance Share Plan, the Restricted Share Plan and all shares, options or awards granted under any other share schemes of the Company then in force, shall not exceed eight per cent. (8%) of the total number of issued shares (excluding treasury shares) in the capital of the Company from time to time.

AS SPECIAL BUSINESS *(cont'd)*

9C That:

(a) for the purposes of Sections 76C and 76E of the Companies Act, the exercise by the Directors of the Company of all the powers of the Company to purchase or otherwise acquire ordinary shares in the capital of the Company ("ordinary shares") not exceeding in aggregate the Maximum Limit (as hereafter defined), at such price or prices as may be determined by the Directors of the Company from time to time up to the Maximum Price (as hereafter defined), whether by way of:

(i) market purchase(s) on the SGX-ST and/or any other stock exchange on which the ordinary shares may for the time being be listed and quoted ("Other Exchange"); and/or

(ii) off-market purchase(s) (if effected otherwise than on the SGX-ST or, as the case may be, Other Exchange) in accordance with any equal access scheme(s) as may be determined or formulated by the Directors of the Company as they consider fit, which scheme(s) shall satisfy all the conditions prescribed by the Companies Act,

and otherwise in accordance with all other laws and regulations and rules of the SGX-ST or, as the case may be, Other Exchange as may for the time being be applicable, be and is hereby authorised and approved generally and unconditionally (the "Share Purchase Mandate");

(b) unless varied or revoked by the Company in general meeting, the authority conferred on the Directors of the Company pursuant to the Share Purchase Mandate may be exercised by the Directors of the Company at any time and from time to time during the period commencing from the date of the passing of this Resolution and expiring on the earlier of:

(i) the date on which the next Annual General Meeting of the Company is held; and

(ii) the date by which the next Annual General Meeting of the Company is required by law to be held;

NOTICE OF ANNUAL GENERAL MEETING

AS SPECIAL BUSINESS *(cont'd)*

(c) in this Resolution:

"Average Closing Price" means the average of the last dealt prices of an ordinary share for the five consecutive Market Days on which the ordinary shares are transacted on the SGX-ST or, as the case may be, Other Exchange immediately preceding the date of market purchase by the Company or, as the case may be, the date of the making of the offer pursuant to the off-market purchase, and deemed to be adjusted in accordance with the listing rules of the SGX-ST for any corporate action which occurs after the relevant five-day period;

"date of the making of the offer" means the date on which the Company makes an offer for the purchase or acquisition of ordinary shares from shareholders, stating therein the purchase price (which shall not be more than the Maximum Price) for each ordinary share and the relevant terms of the equal access scheme for effecting the off-market purchase;

"Market Day" means a day on which the SGX-ST is open for trading in securities;

"Maximum Limit" means that number of ordinary shares representing two per cent. (2%) of the issued ordinary shares as at the date of the passing of this Resolution (excluding any ordinary shares which are held as treasury shares); and

"Maximum Price" in relation to an ordinary share to be purchased or acquired, means the purchase price (excluding brokerage, commission, applicable goods and services tax and other related expenses) which shall not exceed:

(i) in the case of a market purchase of an ordinary share, one hundred and five per cent. (105%) of the Average Closing Price of the ordinary shares; and

(ii) in the case of an off-market purchase of an ordinary share pursuant to an equal access scheme, one hundred and ten per cent. (110%) of the Average Closing Price of the ordinary shares; and

(d) the Directors of the Company and/or any of them be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they and/or he may consider expedient or necessary to give effect to the transactions contemplated and/or authorised by this Resolution.

By Order of the Board

Low Sai Choy
Company Secretary

Singapore
23 March 2011

NOTES:

A member of the Company entitled to attend and vote at the Annual General Meeting is entitled to appoint not more than two proxies to attend and vote instead of him. Where a member appoints more than one proxy, he shall specify the proportion of his shareholdings to be represented by each proxy. A proxy need not be a member of the Company. The instrument appointing a proxy or proxies must be deposited at the office of the Company's Share Registrar, M & C Services Private Limited, 138 Robinson Road, #17-00 The Corporate Office, Singapore 068906 not less than 48 hours before the time appointed for holding the Annual General Meeting.

Additional information relating to the Notice of Annual General Meeting:

1 In relation to items 4(a) and (b) under the heading "As Ordinary Business", Dr Hu Tsu Tau will, upon re-appointment, continue to serve as Chairman of the Investment Committee and Mr Richard Edward Hale will, upon re-appointment, continue to serve as Chairman of the Audit Committee and a Member of the Risk Committee. Dr Hu and Mr Hale are considered as independent Directors.

2 In relation to item 5 under the heading "As Ordinary Business", Mr Jackson Peter Tai, who will be retiring by rotation pursuant to Article 95 of the Articles of Association of the Company at the Annual General Meeting, is not seeking re-election. Mr Tai will also cease to serve as Member of the Investment Committee and the Finance and Budget Committee respectively. In relation to items 5(a) and (b) under the heading "As Ordinary Business", Mr James Koh Cher Siang will, upon re-election, continue to serve as Chairman of the Risk Committee and the Corporate Disclosure Committee respectively, and a Member of the Audit Committee; and Mrs Arfat Pannir Selvam will, upon re-election, continue to serve as a Member of the Nominating Committee, the Corporate Disclosure Committee, the Risk Committee and the Audit Committee respectively. Mr Koh and Mrs Selvam are considered as independent Directors.

3 In relation to item 6 under the heading "As Ordinary Business", Article 101 of the Company's Articles of Association permits the Directors to appoint any person to be a Director, either to fill a casual vacancy or as an addition to the existing Directors. Any Director so appointed shall hold office only until the next following Annual General Meeting, and shall then be eligible for re-election. Mr Simon Claude Israel was appointed on 1 July 2010 and is seeking re-election at the Annual General Meeting. Mr Israel will, upon re-election, continue to serve as a Member of the Investment Committee, the Executive Resource and Compensation Committee and the Nominating Committee respectively. Mr Israel is considered as a non-independent Director.

4 Ordinary Resolution No. 9A under the heading "As Special Business", if passed, will empower the Directors to issue shares in the Company and to make or grant instruments (such as warrants or debentures) convertible into shares, and to issue shares in pursuance of such instruments from the date of the Annual General Meeting until the date of the next Annual General Meeting. The aggregate number of shares which the Directors may issue (including shares to be issued pursuant to convertibles) under this Resolution must not exceed fifty per cent. (50%) of the total number of issued shares (excluding treasury shares) in the capital of the Company with a sub-limit of ten per cent. (10%) for issues other than on a *pro rata* basis. For the purpose of determining the aggregate number of shares that may be issued, the total number of issued shares (excluding treasury shares) in the capital of the Company will be calculated based on the total number of issued shares (excluding treasury shares) in the capital of the Company at the time that Ordinary Resolution No. 9A is passed, after adjusting for (a) new shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which are outstanding or subsisting at the time that Ordinary Resolution No. 9A is passed and (b) any subsequent bonus issue, consolidation or subdivision of shares. The sub-limit of ten per cent. (10%) for issues other than on a *pro rata* basis is below the twenty per cent. (20%) sub-limit permitted by the Listing Manual of the SGX-ST. The Directors believe that the lower sub-limit of ten per cent. (10%) would sufficiently address the Company's present need to maintain flexibility while taking into account shareholders' concerns against dilution.

NOTES: *(cont'd)*

5 Ordinary Resolution No. 9B under the heading "As Special Business", if passed, will empower the Directors to grant awards under the Performance Share Plan and the Restricted Share Plan, and to allot and issue shares pursuant to the vesting of such awards provided that the aggregate number of shares to be issued, when aggregated with existing shares (including treasury shares and cash equivalents) delivered and/or to be delivered pursuant to the Performance Share Plan, the Restricted Share Plan and all shares, options or awards granted under any other share schemes of the Company then in force, does not exceed eight per cent. (8%) of the total number of issued shares (excluding treasury shares) in the capital of the Company from time to time.

6 Ordinary Resolution No. 9C under the heading "As Special Business", if passed, will empower the Directors to exercise all the powers of the Company to purchase or otherwise acquire ordinary shares not exceeding in aggregate two per cent. (2%) of the total number of issued shares as at the date of the passing of this Resolution (excluding treasury shares) in the capital of the Company from the date of the Annual General Meeting until the date of the next Annual General Meeting, whether by way of market purchase(s) or off-market purchase(s), on the terms of the Share Purchase Mandate set out in the Appendix circulated to shareholders of the Company.

The Company intends to use internal sources of funds, external borrowings, or a combination of internal resources and external borrowings, to finance purchases or acquisitions of its ordinary shares. The amount of financing required for the Company to purchase or acquire its ordinary shares, and the impact on the Company's financial position, cannot be ascertained as at the date of this Notice as these will depend on, *inter alia*, whether the ordinary shares are purchased or acquired out of capital and/or profits of the Company, the aggregate number of ordinary shares purchased or acquired, and the consideration paid at the relevant time. For illustrative purposes only, the financial effects of an assumed purchase or acquisition of two per cent. (2%) of its ordinary shares by the Company as at 28 February 2011, at a purchase price equivalent to the Maximum Price per Share, in the case of a market purchase and an off-market purchase respectively, based on the audited financial statements of the Group and the Company for the financial year ended 31 December 2010 and certain assumptions, are set out in paragraph 2.7 of the Appendix circulated to shareholders of the Company.

APPENDIX

This Appendix is circulated to shareholders of CapitaLand Limited (the "Company"). Its purpose is to provide shareholders of the Company with information on the proposed renewal of the Share Purchase Mandate to be tabled at the Annual General Meeting to be held on 25 April 2011 at 10.00 a.m. at the STI Auditorium, 168 Robinson Road, Level 9, Capital Tower, Singapore 068912.

If you are in any doubt as to the action you should take, you should consult your stockbroker or other professional adviser immediately.

The Singapore Exchange Securities Trading Limited takes no responsibility for the accuracy of any statements made or opinions expressed in this Appendix.

THE PROPOSED RENEWAL OF THE SHARE PURCHASE MANDATE

APPENDIX

DEFINITIONS

In this Appendix, the following definitions apply throughout unless otherwise stated:

"AGM"	The annual general meeting of the Company to be held on 25 April 2011
"CDP"	The Central Depository (Pte) Limited
"Companies Act"	The Companies Act, Chapter 50 of Singapore as amended from time to time
"Company" or "CapitaLand"	CapitaLand Limited
"Directors"	The Directors of the Company
"Group"	The Company and its subsidiaries
"Latest Practicable Date"	28 February 2011, being the latest practicable date prior to the printing of this Appendix
"Listing Manual"	The Listing Manual of the SGX-ST, including any amendments made thereto up to the Latest Practicable Date
"Market Day"	A day on which the SGX-ST is open for trading in securities
"Securities Accounts"	Securities accounts maintained by Depositors with CDP, but not including securities sub-accounts maintained with a Depository Agent
"SGX-ST"	Singapore Exchange Securities Trading Limited
"Share Purchase Mandate"	The mandate to enable the Company to purchase or otherwise acquire its issued Shares
"Shareholders"	Registered holders of Shares, except that where the registered holder is CDP, the term "Shareholders" shall, in relation to such Shares and where the context admits, mean the Depositors whose Securities Accounts maintained with CDP are credited with the Shares

DEFINITIONS *(cont'd)*

"Shares"	Ordinary shares in the capital of the Company
"Substantial Shareholder"	In relation to the Company, a person who has an interest in not less than 5% of the issued voting shares of the Company
"Take-over Code"	The Singapore Code on Take-overs and Mergers
"$" and "cents"	Singapore dollars and cents respectively
"%"	Percentage or per centum
"2010 Circular"	The Company's Circular to Shareholders dated 16 March 2010
"2010 EGM"	The Extraordinary General Meeting of the Company held on 16 April 2010

The terms "Depositor", "Depository Agent" and "Depository Register" shall have the meanings ascribed to them respectively in Section 130A of the Companies Act.

Words importing the singular shall, where applicable, include the plural and *vice versa*. Words importing the masculine gender shall, where applicable, include the feminine and neuter genders. References to persons shall include corporations.

Any reference in this Appendix to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined in the Companies Act or any statutory modification thereof and not otherwise defined in this Appendix shall have the same meaning assigned to it in the Companies Act or any statutory modification thereof, as the case may be.

The headings in this Appendix are inserted for convenience only and shall be ignored in construing this Appendix.

Any reference to a time of day in this Appendix is made by reference to Singapore time unless otherwise stated.

Any discrepancies in the tables in this Appendix between the listed amounts and the totals thereof are due to rounding.

APPENDIX

1. INTRODUCTION

1.1 AGM. We refer to (a) the notice of AGM dated 23 March 2011 (the "Notice of AGM") convening the AGM to be held on 25 April 2011; and (b) the Ordinary Resolution No. 9C under the heading "Special Business" set out in the Notice of AGM.

1.2 This Appendix. The purpose of this Appendix is to provide Shareholders with information relating to the proposed renewal of the Share Purchase Mandate to be tabled at the AGM.

2. THE PROPOSED RENEWAL OF THE SHARE PURCHASE MANDATE

2.1 Background. Shareholders had approved the renewal of the Share Purchase Mandate at the 2010 EGM. The authority and limitations of the Share Purchase Mandate were set out in the 2010 Circular and the ordinary resolution in the notice of the 2010 EGM. The authority contained in the Share Purchase Mandate was expressed to continue in force until the next annual general meeting of the Company and, as such, would be expiring on 25 April 2011, being the date of the forthcoming AGM. Although the Company has not undertaken any purchases or acquisitions of its Shares pursuant to the authority conferred by the Share Purchase Mandate approved by Shareholders at the 2010 EGM, it is proposed nonetheless that such authority be renewed. Accordingly, the renewal of the Share Purchase Mandate will be tabled as Ordinary Resolution No. 9C for Shareholders' approval at the AGM ("Ordinary Resolution").

2.2 Rationale for the Share Purchase Mandate. The Share Purchase Mandate will give the Company the flexibility to undertake purchases or acquisitions of its Shares at any time, subject to market conditions, during the period that the Share Purchase Mandate is in force. Share purchases or acquisitions allow the Company greater flexibility over its share capital structure with a view to improving, *inter alia*, its return on equity. The Shares which are purchased or acquired may be held as treasury shares which the Company may, *inter alia*, transfer for the purposes of or pursuant to its employee share schemes so as to enable the Company to take advantage of tax deductions under the current taxation regime. The use of treasury shares in lieu of issuing new Shares would also mitigate the dilution impact on existing Shareholders.

It should be noted that the purchase or acquisition of Shares pursuant to the Share Purchase Mandate will only be undertaken if it can benefit the Company and Shareholders. No purchase or acquisition of Shares will be made in circumstances which would have or may have a material adverse effect on the financial position of the Company and the Group and/or affect the listing status of the Company on the SGX-ST.

2.3 Authority and limitations of the Share Purchase Mandate. The authority and limitations placed on the Share Purchase Mandate are summarised below.

(a) Maximum number of Shares

The total number of Shares which may be purchased or acquired by the Company pursuant to the Share Purchase Mandate is limited to that number of Shares representing not more than 2% of the issued Shares as at the date of the AGM, excluding any Shares held as treasury shares. Under the Companies Act, any Shares which are held as treasury shares shall be disregarded for the purposes of computing the 2% limit. As at the Latest Practicable Date, no Shares were held as treasury shares.

2. THE PROPOSED RENEWAL OF THE SHARE PURCHASE MANDATE *(cont'd)*

2.3 Authority and limitations of the Share Purchase Mandate *(cont'd)*

(a) Maximum number of Shares *(cont'd)*
For illustrative purposes ONLY, on the basis of 4,262,936,446 issued Shares as at the Latest Practicable Date, and assuming that (i) no further Shares are issued, whether pursuant to the exercise of share options ("Share Options") and/or vesting of awards ("Awards") granted under employee share schemes implemented by the Company or otherwise, and (ii) no Shares are held as treasury shares, then not more than 85,258,728 Shares (representing 2% of the issued Shares as at that date) may be purchased or acquired by the Company pursuant to the Share Purchase Mandate.

(b) Duration of authority

Purchases or acquisitions of Shares may be made, at any time and from time to time, on and from the date of the AGM at which the renewal of the Share Purchase Mandate is approved, up to the date (being a date after the AGM) on which the next annual general meeting of the Company is held or required by law to be held; or the date (being a date after the AGM) on which the authority conferred by the Share Purchase Mandate is revoked or varied, whichever is the earlier.

(c) Manner of purchase or acquisition of Shares

Purchases or acquisitions of Shares may be made by way of:

(i) market purchases ("Market Purchases"); and/or

(ii) off-market purchases ("Off-Market Purchases").

Market Purchases refer to purchases or acquisitions of Shares by the Company effected on the SGX-ST or, as the case may be, such other stock exchange for the time being on which the Shares may be listed and quoted, through one or more duly licensed stockbrokers appointed by the Company for the purpose.

Off-Market Purchases refer to purchases or acquisitions of Shares by the Company made under an equal access scheme or schemes for the purchase or acquisition of Shares from Shareholders. The Directors may impose such terms and conditions which are not inconsistent with the Share Purchase Mandate, the Listing Manual and the Companies Act as they consider fit in the interests of the Company in connection with or in relation to any equal access scheme or schemes. Under the Companies Act, an Off-Market Purchase must, however, satisfy all the following conditions:

(A) offers for the purchase or acquisition of Shares shall be made to every person who holds Shares to purchase or acquire the same percentage of their Shares;

(B) all of those persons shall be given a reasonable opportunity to accept the offers made; and

2. THE PROPOSED RENEWAL OF THE SHARE PURCHASE MANDATE *(cont'd)*

2.3 Authority and limitations of the Share Purchase Mandate *(cont'd)*

(c) Manner of purchase or acquisition of Shares *(cont'd)*

(C) the terms of all the offers shall be the same, except that there shall be disregarded:

(1) differences in consideration attributable to the fact that offers may relate to Shares with different accrued dividend entitlements; and

(2) differences in the offers introduced solely to ensure that each person is left with a whole number of Shares.

Additionally, the Listing Manual provides that, in making an Off-Market Purchase, the Company must issue an offer document to all Shareholders which must contain, *inter alia*:

(aa) the terms and conditions of the offer;

(bb) the period and procedures for acceptances;

(cc) the reasons for the proposed Share purchases;

(dd) the consequences, if any, of Share purchases by the Company that will arise under the Take-over Code or other applicable takeover rules;

(ee) whether the Share purchases, if made, would have any effect on the listing of the Shares on the SGX-ST; and

(ff) details of any Share purchases made by the Company in the previous 12 months (whether Market Purchases or Off-Market Purchases), giving the total number of Shares purchased, the purchase price per Share or the highest and lowest prices paid for the purchases, where relevant, and the total consideration paid for the purchases.

(d) Purchase price

The purchase price (excluding brokerage, commission, applicable goods and services tax and other related expenses) to be paid for a Share will be determined by the Directors. However, the maximum purchase price (the "Maximum Price") to be paid for the Shares as determined by the Directors must not exceed:

(i) in the case of a Market Purchase, 105% of the Average Closing Price of the Shares; and

(ii) in the case of an Off-Market Purchase, 110% of the Average Closing Price of the Shares,

2. THE PROPOSED RENEWAL OF THE SHARE PURCHASE MANDATE *(cont'd)*

2.3 Authority and limitations of the Share Purchase Mandate *(cont'd)*

(d) Purchase price *(cont'd)*
in either case, excluding related expenses of the purchase or acquisition. For the above purposes:

"Average Closing Price" means the average of the last dealt prices of a Share for the five consecutive Market Days on which the Shares are transacted on the SGX-ST or, as the case may be, such other stock exchange on which the Shares are listed or quoted, immediately preceding the date of the Market Purchase by the Company or, as the case may be, the date of the making of the offer pursuant to the Off-Market Purchase, and deemed to be adjusted in accordance with the listing rules of the SGX-ST for any corporate action which occurs after the relevant five-day period; and

"date of the making of the offer" means the date on which the Company makes an offer for an Off-Market Purchase, stating therein the purchase price (which shall not be more than the Maximum Price for an Off-Market Purchase calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase.

2.4 Status of purchased or acquired Shares. Under current law, the Shares purchased or acquired by the Company shall be deemed cancelled immediately on purchase or acquisition, and all rights and privileges attached to those Shares will expire on cancellation, unless such Shares are held by the Company as treasury shares. The total number of issued Shares will be diminished by the number of Shares purchased or acquired by the Company which are cancelled and are not held as treasury shares.

2.5 Treasury shares. Under the Companies Act, the Shares purchased or acquired by the Company may be held or dealt with as treasury shares. Some of the provisions on treasury shares under the Companies Act are summarised below.

(a) Maximum holdings

The number of Shares held as treasury shares cannot at any time exceed 10% of the total number of issued Shares.

(b) Voting and other rights

The Company cannot exercise any right in respect of treasury shares. In particular, the Company cannot exercise any right to attend or vote at meetings and for the purposes of the Companies Act, the Company shall be treated as having no right to vote and the treasury shares shall be treated as having no voting rights.

In addition, no dividend may be paid, and no other distribution of the Company's assets may be made, to the Company in respect of treasury shares. However, the allotment of Shares as fully paid bonus shares in respect of treasury shares is allowed. A subdivision or consolidation of any treasury share into treasury shares of a smaller amount is also allowed so long as the total value of the treasury shares after the subdivision or consolidation is the same as before.

APPENDIX

2. THE PROPOSED RENEWAL OF THE SHARE PURCHASE MANDATE *(cont'd)*

2.5 Treasury shares *(cont'd)*

(c) Disposal and cancellation

Where Shares are held as treasury shares, the Company may at any time but subject always to the Take-over Code:

(i) sell the treasury shares for cash;

(ii) transfer the treasury shares for the purposes of or pursuant to an employees' share scheme;

(iii) transfer the treasury shares as consideration for the acquisition of shares in or assets of another company or assets of a person;

(iv) cancel the treasury shares; or

(v) sell, transfer or otherwise use the treasury shares for such other purposes as may be prescribed by the Minister for Finance.

Under the Listing Manual, immediate announcement must be made of any sale, transfer, cancellation and/or use of treasury shares (in each case, the "usage"). Such announcement must include details such as the date of the usage, the purpose of the usage, the number of treasury shares of the usage, the number of treasury shares before and after the usage, and the percentage of the number of treasury shares of the usage against the total number of issued shares (of the same class as the treasury shares) which are listed on the SGX-ST before and after the usage.

2.6 Source of funds. In purchasing or acquiring Shares pursuant to the Share Purchase Mandate, the Company may only apply funds legally available for such purchase or acquisition in accordance with the Articles of Association of the Company and applicable laws. Under the Companies Act, any payment made by the Company in consideration of the purchase or acquisition of its Shares may be made out of the Company's capital and/or profits. The Company intends to use internal sources of funds, external borrowings, or a combination of internal resources and external borrowings, to finance purchases or acquisitions of its Shares. The Directors do not propose to exercise the Share Purchase Mandate to such extent that it would materially affect the working capital requirements, financial flexibility or investment ability of the Group.

2.7 Financial effects. The financial effects on the Group and the Company arising from purchases or acquisitions of Shares which may be made pursuant to the Share Purchase Mandate will depend on, *inter alia*, whether the Shares are purchased or acquired out of capital and/or profits of the Company, the aggregate number of Shares purchased or acquired, and the consideration paid at the relevant time. The financial effects on the Group and the Company based on the audited financial statements of the Group and the Company for the financial year ended 31 December 2010 are based on the assumptions set out below.

2. THE PROPOSED RENEWAL OF THE SHARE PURCHASE MANDATE *(cont'd)*

2.7 Financial effects *(cont'd)*

(a) Purchase or acquisition out of capital and/or profits

Under the Companies Act, purchases or acquisitions of Shares by the Company may be made out of the Company's capital and/or profits so long as the Company is solvent.

Where the consideration paid by the Company for the purchase or acquisition of Shares is made out of capital, the amount available for the distribution of cash dividends by the Company will not be reduced.

Where the consideration paid by the Company for the purchase or acquisition of Shares is made out of profits, such consideration (excluding brokerage, commission, applicable goods and services tax and other related expenses) will correspondingly reduce the amount available for the distribution of cash dividends by the Company.

(b) Maximum Price paid for Shares acquired or purchased

Based on 4,262,936,446 issued Shares as at the Latest Practicable Date (none of which are held as treasury shares), the purchase or acquisition by the Company of 2% of such Shares will result in the purchase or acquisition of 85,258,728 Shares.

Assuming that the Company purchases or acquires the 85,258,728 Shares at the Maximum Price, the maximum amount of funds required is approximately:

(i) in the case of Market Purchases of Shares, $294.1 million based on $3.45 for one Share (being the price equivalent to 5% above the Average Closing Price of the Shares traded on the SGX-ST for the five consecutive Market Days immediately preceding the Latest Practicable Date); and

(ii) in the case of Off-Market Purchases of Shares, $308.6 million based on $3.62 for one Share (being the price equivalent to 10% above the Average Closing Price of the Shares traded on the SGX-ST for the five consecutive Market Days immediately preceding the Latest Practicable Date).

For illustrative purposes ONLY, on the basis of the assumptions set out above as well as the following:

(A) the Share Purchase Mandate had been effective on 1 January 2010;

(B) there was no issuance of Shares, whether pursuant to the exercise of Share Options and/or vesting of Awards or otherwise, after the Latest Practicable Date; and

(C) such Share purchases are funded solely by internal resources,

2. THE PROPOSED RENEWAL OF THE SHARE PURCHASE MANDATE *(cont'd)*

2.7 Financial effects *(cont'd)*

the financial effects on the audited financial statements of the Group and the Company for the financial year ended 31 December 2010 would have been as set out below.

	Market Purchase				Off-Market Purchase			
	Company		Group		Company		Group	
At 31 December 2010	Before Share Purchase $ M	After Share Purchase $ M	Before Share Purchase $ M	After Share Purchase $ M	Before Share Purchase $ M	After Share Purchase $ M	Before Share Purchase $ M	After Share Purchase $ M
Shareholders' funds	9,999	9,705	18,017	17,723	9,999	9,690	18,017	17,708
NTA	9,999	9,705	13,712	13,418	9,999	9,690	13,712	13,403
Current assets	1,220	926	14,952	14,658	1,220	911	14,952	14,643
Current liabilities	201	201	3,953	3,953	201	201	3,953	3,953
Working capital	1,019	725	10,999	10,705	1,019	710	10,999	10,690
Net debt	3,326	3,380	3,168	3,462	3,326	3,380	3,168	3,477
No. of issued Shares (in Million)	4,262	4,177	4,262	4,177	4,262	4,177	4,262	4,177
Financial indicators								
NTA per Share ($)	2.35	2.32	3.22	3.21	2.35	2.32	3.22	3.21
Gearing (Net D/E)	0.33	0.35	0.18	0.20	0.33	0.35	0.18	0.20
Current ratio (times)	6.07	4.61	3.78	3.71	6.07	4.53	3.78	3.70
Basic EPS (cents)	8.26	8.43	29.89	30.50	8.26	8.43	29.89	30.50

Notes:

(1) NTA means Net Tangible Assets
Net D/E means Net Debt-to-Equity
EPS means Earnings Per Share

(2) The disclosed financial effects remain the same irrespective of whether:

(a) the purchase of the Shares is effected out of capital or profits; or

(b) the purchased Shares are held in treasury or are cancelled.

(3) NTA equals shareholders' funds less non-controlling interests and intangible assets. NTA per Share is calculated based on the number of issued Shares excluding treasury shares.

(4) Current ratio equals current assets divided by current liabilities.

SHAREHOLDERS SHOULD NOTE THAT THE FINANCIAL EFFECTS SET OUT ABOVE ARE BASED ON THE AUDITED FINANCIAL STATEMENTS OF THE GROUP AND THE COMPANY FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2010 AND ARE FOR ILLUSTRATION ONLY. THE RESULTS OF THE GROUP AND THE COMPANY FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2010 MAY NOT BE REPRESENTATIVE OF FUTURE PERFORMANCE.

2. THE PROPOSED RENEWAL OF THE SHARE PURCHASE MANDATE *(cont'd)*

2.7 Financial effects *(cont'd)*

It should be noted that although the Share Purchase Mandate would authorise the Company to purchase or acquire up to 2% of the issued Shares, the Company may not necessarily purchase or acquire or be able to purchase or acquire the entire 2% of the issued Shares. In addition, the Company may cancel or hold in treasury all or part of the Shares purchased or acquired. The Company will take into account both financial and non-financial factors (for example, stock market conditions and the performance of the Shares) in assessing the relative impact of a share purchase before execution.

2.8 Taxation. Shareholders who are in doubt as to their respective tax positions or any tax implications, or who may be subject to tax in a jurisdiction outside Singapore, should consult their own professional advisers.

2.9 Listing status of the Shares. The Listing Manual requires a listed company to ensure that at least 10% of the total number of its issued shares (excluding treasury shares, preference shares and convertible equity securities) in a class that is listed, is held by public shareholders at all times. As at the Latest Practicable Date, approximately 58.94% of the issued Shares are held by public shareholders. Accordingly, the Company is of the view that there is a sufficient number of the Shares held by public shareholders which would permit the Company to undertake purchases or acquisitions of its Shares through Market Purchases up to the full 2% limit pursuant to the Share Purchase Mandate without affecting the listing status of the Shares on the SGX-ST. The Company will consider investor interests when maintaining a liquid market in its securities, and will ensure that there is a sufficient float for an orderly market in its securities when purchasing its Shares.

2.10 Listing rules. The Listing Manual restricts a listed company from purchasing shares by way of market purchases at a price per share which is more than 5% above the "average closing price", being the average of the closing market prices of the shares over the last five Market Days on which transactions in the shares were recorded, before the day on which the purchases were made, as deemed to be adjusted for any corporate action that occurs after the relevant five-day period. The Maximum Price for a Share in relation to Market Purchases referred to in paragraph 2.3 above complies with this requirement. Although the Listing Manual does not prescribe a maximum price in relation to purchases of shares by way of off-market purchases, the Company has set a cap of 10% above the average closing price of a Share as the Maximum Price for a Share to be purchased or acquired by way of an Off-Market Purchase.

While the Listing Manual does not expressly prohibit any purchase or acquisition of shares by a listed company during any particular time or times, because the listed company would be regarded as an "insider" in relation to any proposed purchase or acquisition of its issued shares, the Company will not undertake any purchase or acquisition of Shares pursuant to the Share Purchase Mandate at any time after any matter or development of a price sensitive nature has occurred or has been the subject of consideration and/or a decision of the Board of Directors of the Company until such price sensitive information has been publicly announced. In particular, in line with the Company's internal guide on securities dealings, the Company will not purchase or acquire any Shares through Market Purchases during the two weeks immediately preceding, and up to the time of the announcement of, the Company's results for each of the first three quarters of its financial year and during the one month preceding, and up to the time of announcement of, the Company's results for the full financial year.

2. THE PROPOSED RENEWAL OF THE SHARE PURCHASE MANDATE *(cont'd)*

2.11 Reporting requirements. The Listing Manual specifies that a listed company shall report all purchases or acquisitions of its shares to the SGX-ST not later than 9.00 a.m. (a) in the case of a market purchase, on the Market Day following the day of purchase or acquisition of any of its shares, and (b) in the case of an off-market purchase under an equal access scheme, on the second Market Day after the close of acceptances of the offer. Such announcement (which must be in the form prescribed by the Listing Manual) must include details of the date of the purchase, the total number of shares purchased, the purchase price per share or the highest and lowest prices paid for such shares, as applicable, and the total consideration (including stamp duties and clearing charges) paid or payable for the shares.

2.12 Take-over implications. Appendix 2 of the Take-over Code contains the Share Buy-Back Guidance Note. The take-over implications arising from any purchase or acquisition by the Company of its Shares are set out below.

(a) Obligation to make a take-over offer

If, as a result of any purchase or acquisition by the Company of its Shares, the proportionate interest in the voting capital of the Company of a Shareholder and persons acting in concert with him increases, such increase will be treated as an acquisition for the purposes of Rule 14 of the Take-over Code. Consequently, a Shareholder or a group of Shareholders acting in concert with a Director could obtain or consolidate effective control of the Company and become obliged to make an offer under Rule 14 of the Take-over Code.

(b) Persons acting in concert

Under the Take-over Code, persons acting in concert comprise individuals or companies who, pursuant to an agreement or understanding (whether formal or informal), co-operate, through the acquisition by any of them of shares in a company to obtain or consolidate effective control of that company.

Unless the contrary is established, the Take-over Code presumes, *inter alia*, the following individuals and companies to be persons acting in concert with each other:

(i) the following companies:

(A) a company;

(B) the parent company of (A);

(C) the subsidiaries of (A);

(D) the fellow subsidiaries of (A);

(E) the associated companies of any of (A), (B), (C) or (D);

(F) companies whose associated companies include any of (A), (B), (C), (D) or (E); and

(G) any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the foregoing companies for the purchase of voting rights; and

2. THE PROPOSED RENEWAL OF THE SHARE PURCHASE MANDATE *(cont'd)*

2.12 Take-over implications *(cont'd)*

(ii) a company with any of its directors (together with their close relatives, related trusts as well as companies controlled by any of the directors, their close relatives and related trusts).

The circumstances under which Shareholders, including Directors and persons acting in concert with them respectively, will incur an obligation to make a take-over offer under Rule 14 of the Take-over Code after a purchase or acquisition of Shares by the Company are set out in Appendix 2 of the Take-over Code.

(c) Effect of Rule 14 and Appendix 2

In general terms, the effect of Rule 14 and Appendix 2 of the Take-over Code is that, unless exempted, Directors and persons acting in concert with them will incur an obligation to make a take-over offer under Rule 14 if, as a result of the Company purchasing or acquiring Shares, the voting rights of such Directors and their concert parties would increase to 30% or more, or in the event that such Directors and their concert parties hold between 30% and 50% of the Company's voting rights, if the voting rights of such Directors and their concert parties would increase by more than 1% in any period of six months. In calculating the percentages of voting rights of such Directors and their concert parties, treasury shares shall be excluded.

Under Appendix 2 of the Take-over Code, a Shareholder not acting in concert with the Directors will not be required to make a take-over offer under Rule 14 if, as a result of the Company purchasing or acquiring its Shares, the voting rights of such Shareholder would increase to 30% or more, or, if such Shareholder holds between 30% and 50% of the Company's voting rights, the voting rights of such Shareholder would increase by more than 1% in any period of six months. Such Shareholder need not abstain from voting in respect of the resolution authorising the Share Purchase Mandate.

Based on the interests of the Substantial Shareholder in issued Shares recorded in the Register of Substantial Shareholders as at the Latest Practicable Date, the Substantial Shareholder would not become obliged to make a take-over offer for the Company under Rule 14 of the Take-over Code as a result of any purchase or acquisition of Shares by the Company pursuant to the Share Purchase Mandate of the maximum limit of 2% of its issued Shares (excluding Shares held in treasury) as at the Latest Practicable Date.

SHAREHOLDERS WHO ARE IN DOUBT AS TO THEIR OBLIGATIONS, IF ANY, TO MAKE A MANDATORY TAKE-OVER OFFER UNDER THE TAKE-OVER CODE AS A RESULT OF ANY PURCHASE OR ACQUISITION OF SHARES BY THE COMPANY SHOULD CONSULT THE SECURITIES INDUSTRY COUNCIL AND/OR THEIR PROFESSIONAL ADVISERS AT THE EARLIEST OPPORTUNITY.

APPENDIX

3. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS

3.1 Interests of Directors. The interests of the Directors in issued Shares, as recorded in the Company's Register of Directors' Shareholdings as at the Latest Practicable Date, are set out below.

Directors	Direct Interest No. of Shares	Direct Interest %	Deemed Interest No. of Shares	Deemed Interest %	Total Interest No. of Shares	Total Interest %
Dr Hu Tsu Tau	253,653	0.0060	0	0	253,653	0.0060
Peter Seah Lim Huat	267,417	0.0063	0	0	267,417	0.0063
Liew Mun Leong	3,119,436	0.0732	237,000*	0.0056	3,356,436	0.0787
Jackson Peter Tai	600,572	0.0141	0	0	600,572	0.0141
Richard Edward Hale	839,549	0.0197	0	0	839,549	0.0197
James Koh Cher Siang	223,933	0.0053	4,500*	0.0001	228,433	0.0054
Arfat Pannir Selvam	179,799	0.0042	0	0	179,799	0.0042
Professor Kenneth Stuart Courtis	117,697**	0.0028	0	0	117,697**	0.0028
Dr Fu Yuning	0	0	0	0	0	0
John Powell Morschel	0	0	0	0	0	0
Ng Kee Choe	10,000	0.0002	0	0	10,000	0.0002
Simon Claude Israel	0	0	0	0	0	0

Notes:

* *Shares are held by spouse.*

** *80,000 Shares and 37,697 Shares are held through DBS Nominees (Private) Limited and Morgan Stanley Asia (Singapore) Securities Pte Ltd, respectively.*

There were 4,262,936,446 issued Shares as at the Latest Practicable Date, none of which were held as treasury shares.

The interests of the Directors in outstanding Awards as at the Latest Practicable Date are set out below.

Directors	Number of Shares comprised in outstanding Awards
Dr Hu Tsu Tau	19,336(1)
	13,373(2)
Peter Seah Lim Huat	19,336(1)
	16,108(2)
Liew Mun Leong	53,554(3)
	171,958(4)
	Up to 301,913(5)
	Up to 2,240,046(6)
Jackson Peter Tai	11,280(1)
	9,422(2)
Richard Edward Hale	17,725(1)
	14,386(2)
James Koh Cher Siang	19,336(1)
	12,461(2)

3. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS *(cont'd)*

3.1 Interests of Directors *(cont'd)*

Directors	Number of Shares comprised in outstanding Awards
Arfat Pannir Selvam	14,503[(1)]
	13,474[(2)]
Professor Kenneth Stuart Courtis	11,280[(1)]
	9,422[(2)]
Dr Fu Yuning	5,775[(2)]
John Powell Morschel	5,369[(2)]
Ng Kee Choe^	–
Simon Claude Israel^	–

Notes:

(1) *Being the unvested half of the Award.*

(2) *Being the Award granted in 2010. For the year 2010, the awards to non-executive directors are time-based with no performance conditions and will be released over a vesting period of two years.*

(3) *Being the unvested remaining one-third of the Award.*

(4) *Being the unvested two-third of the Award.*

(5) *The final number of Shares released will depend on the achievement of pre-determined targets at the end of a one-year performance period and the release will be over a vesting period of three years. No Shares will be released if the threshold targets are not met at the end of the performance period. On the other hand, if superior targets are met, more Shares than the baseline award could be delivered up to a maximum of 150% of the baseline award.*

(6) *The final number of Shares released will depend on the achievement of pre-determined targets over a three-year performance period. No Shares will be released if the threshold targets are not met at the end of the performance period. On the other hand, if superior targets are met, more Shares than the baseline award could be delivered up to a maximum of 200% of the baseline award.*

^ *Mr Ng Kee Choe and Mr Simon Claude Israel were appointed on 16 April 2010 and 1 July 2010 respectively.*

There were no outstanding Share Options held by the Directors as at the Latest Practicable Date.

3.2 Interests of Substantial Shareholder. The interests of the Substantial Shareholder in issued Shares, as recorded in the Company's Register of Substantial Shareholders as at the Latest Practicable Date, are set out below.

Substantial Shareholder	Direct Interest No. of Shares	Direct Interest %	Deemed Interest No. of Shares	Deemed Interest %	Total Interest No. of Shares	Total Interest %
Temasek Holdings (Private) Limited	1,680,704,140	39.43	63,606,870	1.49	1,744,311,010	40.92

Notes:

By virtue of Section 7 of the Companies Act, Temasek Holdings (Private) Limited ("Temasek") is deemed to have an interest in 63,606,870 Shares in which its associated companies have or are deemed to have an interest. Temasek is wholly owned by the Minister for Finance.

There were 4,262,936,446 issued Shares as at the Latest Practicable Date, none of which were held as treasury shares.

APPENDIX

4. DIRECTORS' RECOMMENDATION

The Directors are of the opinion, for the reasons set out in paragraph 2.2 above, that the Share Purchase Mandate is in the interests of the Company. Accordingly, they recommend that Shareholders vote in favour of the Ordinary Resolution No. 9C relating to the renewal of the Share Purchase Mandate to be proposed at the AGM.

5. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept responsibility for the accuracy of the information given in this Appendix and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, the facts stated and opinions expressed in this Appendix are fair and accurate and there are no material facts the omission of which would make any statement in this Appendix misleading. Where information has been extracted from published or otherwise publicly available sources, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from these sources.

6. INSPECTION OF DOCUMENTS

Copies of the following documents are available for inspection at the registered office of the Company during normal business hours from the date hereof up to and including the date of the AGM:

(a) the 2010 Circular; and

(b) the Company's Memorandum and Articles of Association.

CAPITALAND LIMITED
(Regn. No.: 198900036N)
(Incorporated in the Republic of Singapore)

PROXY FORM
ANNUAL GENERAL MEETING

IMPORTANT
1. For investors who have used their CPF monies to buy the Company's shares, this Summary Report/Annual Report is forwarded to them at the request of their CPF Approved Nominee and is sent solely FOR THEIR INFORMATION ONLY.
2. This Proxy Form is not valid for use by CPF Investors and shall be ineffective for all intents and purposes if used or purported to be used by them.
3. CPF investors who wish to attend the Meeting as an observer must submit their requests through their CPF Approved Nominees within the time frame specified. If they also wish to vote, they must submit their voting instructions to the CPF Approved Nominees within the time frame specified to enable them to vote on their behalf.

I/We, ______________________________ (Name) __________________________ (NRIC/Passport/Company Regn. No.)

of ____ (Address)

being a member/members of CapitaLand Limited (the "Company") hereby appoint:

Name	Address	NRIC/Passport No.	Proportion of Shareholdings	
			No. of Shares	%

and/or (delete as appropriate)

Name	Address	NRIC/Passport No.	Proportion of Shareholdings	
			No. of Shares	%

as my/our proxy/proxies to attend and to vote for me/us on my/our behalf and if necessary, to demand a poll, at the Annual General Meeting of the Company, to be held at the STI Auditorium, 168 Robinson Road, Level 9, Capital Tower, Singapore 068912, on Monday, 25 April 2011 at 10.00 a.m., and at any adjournment thereof. I/We direct my/our proxy/proxies to vote for or against the Resolutions to be proposed at the Annual General Meeting as indicated hereunder. If no specific direction as to voting is given, the proxy/proxies will vote or abstain from voting at his/their discretion, as he/they will on any other matter arising at the Annual General Meeting.

No.	Resolutions Relating To:	For*	Against*
	ORDINARY BUSINESS		
1	Adoption of Directors' Report, Audited Financial Statements and Auditors' Report		
2	Declaration of a First and Final Dividend		
3	Approval of Directors' Fees		
4(a)	Re-appointment of Dr Hu Tsu Tau as Director		
4(b)	Re-appointment of Mr Richard Edward Hale as Director		
5(a)	Re-election of Mr James Koh Cher Siang as Director		
5(b)	Re-election of Mrs Arfat Pannir Selvam as Director		
6	Re-election of Mr Simon Claude Israel as Director		
7	Re-appointment of Auditors		
8	Any Other Business		
	SPECIAL BUSINESS		
9A	Authority for Directors to issue shares and to make or grant instruments pursuant to Section 161 of the Companies Act, Cap. 50		
9B	Authority for Directors to grant awards, and to allot and issue shares, pursuant to the CapitaLand Performance Share Plan 2010 and the CapitaLand Restricted Share Plan 2010		
9C	Renewal of the Share Purchase Mandate		

* Please indicate your vote "For" or "Against" with a "✓" within the box provided.

Dated this ____________________ day of ________________________ 2011

Total Number of Shares Held

____

Signature(s) of Member(s) or Common Seal

IMPORTANT: PLEASE READ NOTES TO PROXY FORM ON REVERSE PAGE.

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Affix
postage
stamp

CAPITALAND LIMITED
c/o M & C Services Private Limited
138 Robinson Road
#17-00 The Corporate Office
Singapore 068906

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NOTES TO PROXY FORM

1. A member entitled to attend and vote at the Meeting is entitled to appoint one or two proxies to attend and vote in his stead. A proxy need not be a member of the Company.

2. Where a member appoints more than one proxy, the appointments shall be invalid unless he specifies the proportion of his holding (expressed as a percentage of the whole) to be represented by each proxy.

3. Completion and return of this instrument appointing a proxy or proxies shall not preclude a member from attending and voting at the Meeting. Any appointment of a proxy or proxies shall be deemed to be revoked if a member attends the Meeting in person, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the instrument of proxy or proxies, to the Meeting.

4. A member should insert the total number of shares held. If the member has shares entered against his name in the Depository Register (as defined in Section 130A of the Companies Act, Cap. 50 of Singapore), he should insert that number of shares. If the member has shares registered in his name in the Register of Members of the Company, he should insert that number of shares. If the member has shares entered against his name in the Depository Register as well as shares registered in his name in the Register of Members, he should insert the aggregate number of shares. If no number is inserted, the instrument of proxy will be deemed to relate to all the shares held by the member.

5. The instrument appointing a proxy or proxies must be deposited at the office of the Company's Share Registrar, M & C Services Private Limited, 138 Robinson Road, #17-00 The Corporate Office, Singapore 068906, not less than 48 hours before the time appointed for holding the Meeting.

6. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or a duly authorised officer.

7. Where an instrument appointing a proxy or proxies is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.

8. A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the Meeting, in accordance with Section 179 of the Companies Act, Cap. 50 of Singapore.

General
The Company shall be entitled to reject the instrument appointing a proxy or proxies which is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies. In addition, in the case of shares entered in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if the member, being the appointor, is not shown to have shares entered against his name in the Depository Register at least 48 hours before the time appointed for holding the Meeting, as certified by The Central Depository (Pte) Limited to the Company.

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31 December 2010:
Leong Kok Keong

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CapitaLand

PROPERTY PORTFOLIO

31 DECEMBER 2010

CONTENTS

RESIDENTIAL

LATITUDE
SINGAPORE

RESIDENTIAL

AS AT 31 DECEMBER 2010

Name	Location	Expected Completion Date	Effective Stake(%)	Gross Floor Area (sqm)	Approximate Percentage Completion	Total No. of Units	Tenure (Years)
UNDER DEVELOPMENT							
SINGAPORE							
d'Leedon	Leedon Heights/ King's Road/ Farrer Road	2015	35%	218,519	2%	1,715	99
The Interlace	Alexandra Road/ Depot Road	2014	60%	169,600	16%	1,040	99
The Nassim	Nassim Hill	2014	100%	15,942	0%	55	Freehold
The Wharf Residence	Tong Watt Road	2013	100%	27,168	26%	186	999
Urban Resort Condominium	Cairnhill Road	2013	100%	14,890	8%	64	Freehold
Urban Suites	Cairnhill Road	2013	50%	24,263	8%	165	Freehold
CHINA							
Beau Residences	Chancheng District, Foshan	2011	100%	45,912	89%	648	70
Beaufort (Phase 1)	Chaoyang District, Beijing	2011	50%	35,361	47%	467	70
Imperial Bay	Gongshu District, Hangzhou	2013	50%	85,246	2%	470	70
La Cité Foshan	Chancheng District, Foshan	2012	100%	81,450	21%	879	70
Riverside Ville	Chancheng District, Foshan	2011	100%	111,524	97%	758	70
The Loft Chengdu (Phase 1)	Qingyang District, Chengdu	2011	56%	189,916	97%	1,814	70
The Metropolis (Phase 1)	Huaqiao District, Kunshan	2013	70%	167,852	24%	1,542	70
The Pinnacle (Phase 1)	Pudong District, Shanghai	2012	80%	52,594	41%	539	70
VIETNAM							
Beau Rivage (Phase 1 of site at Thanh My Loi)	District 2, Ho Chi Minh City	2014	30%	195,308	8%	962	Freehold
Mulberry Lane	Ha Dong District, Hanoi	2013	70%	235,853	14%	1,478	Freehold
The Vista	District 2, Ho Chi Minh City	2011	80%	189,966	80%	850 (residential and serviced residences)	Freehold

RESIDENTIAL

AS AT 31 DECEMBER 2010

Name	Location	Expected Completion Date	Effective Stake(%)	Gross Floor Area (sqm)	Approximate Percentage Completion	Total No. of Units	Tenure (Years)
UNDER DEVELOPMENT *(cont'd)*							
THAILAND							
The Royal Residence	Kaset Nawamin, Bangkok	2014	40%	45,899	41%	79	Freehold
Villa Asoke	Petchburi, Bangkok	2013	40%	54,880	11%	525	Freehold

Name	Location	Effective Stake(%)	Gross Floor Area (sqm)	Total No. of Units	Tenure (Years)
COMPLETED PROJECTS					
SINGAPORE					
Botannia	West Coast Park	50%	60,556	493	956
Latitude	Jalan Mutiara	100%	24,413	127	Freehold
RiverGate	Martin Road	50%	84,191	545	Freehold
Scotts HighPark	Scotts Road	100%	18,035	73	Freehold
The Metropolitan Condominium	Alexandra Road	50%	47,736	382	99
The Orchard Residences	Orchard Road	32.8%	47,297	175	99
The Seafront on Meyer	Meyer Road	100%	52,474	327	Freehold
CHINA					
La Capitale	Dongcheng District, Beijing	100%	51,671	313	50
Summit Residences Ningbo (Plots 2 to 4)	Jiangbei District, Ningbo	50%	128,798	776	70
The Riviera	Chancheng District, Foshan	100%	57,793	208	70
THAILAND					
Athenee Residence	Wireless Road, Bangkok	40%	84,315	222	Freehold
North Park Place	North Park, Bangkok	40%	33,337	130	Freehold
S&S Sukhumvit	Sukhumvit 101/1, Bangkok	40%	55,540	819	Freehold
The Empire Place	Sathorn, Bangkok	40%	87,808	493	Freehold
The Emporio Place	Sukhumvit 24, Bangkok	40%	70,356	368	Freehold
Villa Rachakhru	Phaholyothin 5, Bangkok	40%	6,959	70	Freehold
Villa Rachatewi	Phaya Thai, Bangkok	40%	76,240	749	Freehold
Villa Sathorn	Sathorn-Taksin, Bangkok	40%	53,473	637	Freehold

Name	Location	Effective Stake(%)	Gross Floor Area (sqm)	Total No. of Units	Tenure (Years)
COMPLETED PROJECTS *(cont'd)*					
UNITED KINGDOM					
25 Kensington Square	Central London	33.3%	311 (NLA)	1	Freehold
FUTURE DEVELOPMENT					
SINGAPORE					
Site at Yio Chu Kang Road	Yio Chu Kang Road	100%	19,330	80 (estimated)	Freehold
CHINA					
99 Hengshan Road	Xuhui District, Shanghai	100%	15,000	91	50
Beaufort (Phases 2 to 4)	Chaoyang District, Beijing	50%	65,429	548	70
Guangnan Project	Qingpu District, Shanghai	95%	57,043	175	70
Royal Residences Beijing	Dongcheng District, Beijing	100%	14,340	26	70
Summit Residences Ningbo (Plot 1)	Jiangbei District, Ningbo	50%	10,889	38	70
The Loft Chengdu (Phase 2)	Qingyang District, Chengdu	56%	273,830	2,792	70
The Metropolis (Phases 2 to 6)	Huaqiao District, Kunshan	70%	490,513	4,579	70
The Paragon	Luwan District, Shanghai	100%	145,500	287	70 (residential) 50 (commercial)
The Pinnacle (Phase 2)	Pudong District, Shanghai	80%	49,306	380	70
Vermont Hills	Changping District, Beijing	81%	257,815	803	70
Yu Jin Sha	Baiyun District, Guangzhou	50%	350,668	2,768	70
VIETNAM					
Site at Thanh My Loi (Phase 2)	District 2, Ho Chi Minh City	30%	70,168	NA	Freehold
Site at Mo Lao Ward	Ha Dong District, Hanoi	35%	200,000 (estimated)	960 (estimated)	Freehold
Site at Phuoc Long B Ward	District 9, Ho Chi Minh City	70%	58,000 (estimated)	500 (estimated)	Freehold
THAILAND					
Site at Jomtien	Jomtien, Pattaya	40%	40,922	166 (estimated)	Freehold
Site at Tup Kaek	Tup Kaek, Krabi	40%	10,076	47 (estimated)	Freehold

COMMERCIAL

ONE GEORGE STREET
SINGAPORE

COMMERCIAL

AS AT 31 DECEMBER 2010

Name	Location	Effective Stake (%)	Total Net Lettable Area (sqm)	Tenure (Years)
COMPLETED PROJECTS				
INDUSTRIAL				
SINGAPORE				
15 Changi South Street 1	Changi South	62%	3,774	30
25A Changi South Street 1	Changi South	62%	3,513	30
615 Lorong 4 Toa Payoh	Toa Payoh	62%	7,460	60
743 Lorong 5 Toa Payoh	Toa Payoh	62%	8,094	60
Corporation Place	Corporation Road	75%	57,667	60
Technopark@Chai Chee	Chai Chee Road	100%	105,441	60
CHINA				
Corporation Park	Sha Tin, Hong Kong	30%	40,099 (GFA)	54
OFFICE				
SINGAPORE				
PWC Building	Cross Street	30%	33,080	99
163 strata-titled units in The Adelphi	Coleman Street	100%	16,543 (office and retail)	999
CHINA				
IBM China Centre	Haidian District, Beijing	50%	20,345	50
Innov Tower	Xuhui District, Shanghai	50%	28,180	45
UNITED KINGDOM				
1 Derry Street	Central London	33.3%	2,991	Freehold
FUTURE DEVELOPMENT				
IT PARK/OFFICE				
INDIA				
Site at Trans Thana Creek	Thana District, Navi Mumbai	49%	273,162	100
HELD THROUGH CAPITACOMMERCIAL TRUST				
COMPLETED PROJECTS				
SINGAPORE				
CAR PARK				
Golden Shoe Car Park	Market Street	31.8%	4,117	99
Market Street Car Park	Market Street	31.8%	2,360	99
OFFICE				
Bugis Village	Queen Street/Rochor Road/ Victoria Street	31.8%	11,375	99
Capital Tower	Robinson Road	31.8%	68,836	99
HSBC Building	Collyer Quay	31.8%	18,624	999
One George Street	George Street	31.8%	41,619	99
Six Battery Road	Battery Road	31.8%	46,339	999
Wilkie Edge	Wilkie Road	31.8%	13,880 (excludes serviced residences)	99

SHOPPING MALLS

AIDEMENGDUN MALL
HARBIN
CHINA

SHOPPING MALLS

AS AT 31 DECEMBER 2010

Name	Location	Effective Stake (%)	Total Net Lettable Area (sqm)	Tenure (Years)
UNDER DEVELOPMENT				
SINGAPORE				
One-North	Vista Xchange Green	65.5%	24,000 (Commercial) 38,000sqm (civic, cultural & institutional) (GFA)	60, expiring in October 2067
CHINA				
Fucheng Mall (Phase II)	Fucheng district, Mianyang	29.5%	45,000 (GFA)	Expiring in June 2047
Jinniu Mall (Phase II)	Jinniu district, Chengdu	29.5%	90,624 (GFA)	Expiring in October 2044
Longzhimeng Hongkou	Hongkou District, Shanghai	14.7%	227,513 (GFA)	Expiring in September 2057
Longzhimeng Minhang	Minhang District, Shanghai	9.8%	146,843 (GFA)	Expiring in December 2053
Luwan Project [1]	Luwan District, Shanghai	43.2%	127,564 (GFA)	Expiring in July 2056
Meili Mall [1]	Chenghua District, Chengdu	65.5%	58,350 (GFA)	Expiring in August 2044
Rizhao Mall	Juction of Haiqu East Road and Qingdao Road, Rizhao	19.7%	77,458 (GFA)	Expiring in November 2043
Taiyanggong Mall [1]	Chaoyang District, Beijing	29.5%	83,691 (GFA)	Expiring in August 2044
Tianfu Mall	Gaoxin District, Chengdu	65.5%	212,684 (GFA)	Expiring in February 2048
Ximao Mall [1]	Haidian District, Beijing	29.5%	39,688	Commercial: Expiring in January 2043 Underground carpark: Expiring in January 2053
Xindicheng Mall	Yanta district, Xi'an	29.5%	159,900 (GFA)	Expiring in December 2043
Xuefu Mall	Nangang District, Harbin	29.5%	96,635 (GFA)	Expiring in December 2045
Zhongshan Mall	Qiaokou district, Wuhan	29.5%	112,769 (GFA)	Expiring in June 2044

SHOPPING MALLS

AS AT 31 DECEMBER 2010

Name	Location	Effective Stake (%)	Total Net Lettable Area (sqm)	Tenure (Years)
UNDER DEVELOPMENT *(cont'd)*				
INDIA				
Cochin Mall	Ernakulam District, Cochin	7.4% [2]	102,215 (GFA)	Freehold
Graphite India, Bangalore [3]	Whitefield, Bangalore	14.6%	97,731 (GFA)	Freehold
Hyderabad Mall	Kukatpally, Hyderabad	7.3%	79,125 (GFA)	Freehold
Jalandhar Mall	Jalandhar	19.4%	103,194 (GFA)	Freehold
Mangalore Mall [4]	Pandeshwar Road, Mangalore	9.9%	45,916 (GFA)	Freehold
Mysore Mall	Abba Road/ Hyder Ali Road, Mysore	14.6%	33,417 (GFA)	Freehold
Nagpur Mall	Umrer Road, Nagpur	19.4%	124,610 (GFA)	Freehold
The Celebration Mall, Udaipur	Udaipur	24.4%	36,048 (GFA)	99 years, expiring in May 2103
COMPLETED PROJECTS				
SINGAPORE				
ION Orchard	Orchard Road	32.8%	58,139	99, expiring in March 2105
CHINA				
Aidemengdun Mall	Daoli District, Harbin	29.5%	27,347	Expiring in September 2042
Anyang Mall	Beiguan District, Anyang	29.5%	25,111	Expiring in March 2046
Chengnanyuan Mall	Qing Yun Pu district, Nanchang	29.5%	37,490	Expiring in February 2045
Chikan Mall	Chikan district, Zhanjiang	29.5%	33,249	Expiring in December 2044
Cuiwei Mall	Haidian District, Beijing	29.5%	35,458	Commercial: Expiring in May 2046 Underground carpark: Expiring in May 2056

Name	Location	Effective Stake (%)	Total Net Lettable Area (sqm)	Tenure (Years)
COMPLETED PROJECTS *(cont'd)*				
CHINA *(cont'd)*				
Duanzhou Mall	Duanzhou district, Zhaoqing	29.5%	32,663	Expiring in May 2055
Fucheng Mall	Fucheng district, Mianyang	29.5%	34,206 (Phase 1)	Expiring in September 2044
Gaoxin Mall	Gaoxin district, Weifang	29.5%	36,254	Expiring in October 2044
Guicheng Mall	Nanhai district, Foshan	47.5%	35,966	Expiring in August 2044
Jiangbin Mall	Licheng district, Quanzhou	29.5%	30,136	Expiring in February 2045
Jingyang Mall	Hedong district, Deyang	29.5%	29,617	Expiring in November 2045
Jinniu Mall	Jinniu district, Chengdu	29.5%	48,185 (Phase 1)	Expiring in October 2044
Jinshui Mall	Zhongzhou Road, Zhengzhou	19.7%	35,182	Expiring in July 2045
Jiulongpo Mall	Jiulongpo district, Chongqing	47.9%	38,965	Expiring in October 2042
Liuquan Mall	Zhangdian district, Zibo	29.5%	30,430	Expiring in March 2045
Maonan Mall	Maogang District, Maoming	47.9%	28,472	Expiring in November 2044
Nanan Mall	Cuiping district, Yibin	29.5%	27,491	Expiring in May 2045
Nancheng Mall	Nancheng district, Dongguan	29.5%	32,731	Expiring in January 2055
Peace Plaza	Shahekou district, Dalian	19.7%	105,149	Expiring in November 2035
Saihan Mall	Saihan district, Huhhot	17.9%	29,649	Expiring in March 2041

SHOPPING MALLS

AS AT 31 DECEMBER 2010

Name	Location	Effective Stake (%)	Total Net Lettable Area (sqm)	Tenure (Years)
COMPLETED PROJECTS *(cont'd)*				
CHINA *(cont'd)*				
Shapingba Mall [1]	Shapingba district, Chongqing	19.7%	26,721	Master Lease expiring in December 2023
Shawan Mall	Jinniu district, Chengdu	19.7%	25,499	Commercial: Expiring in Jaunary 2046 Underground carpark: Expiring in January 2076
Xinwu Mall	Xinwu District, Wuhu	23.6%	38,210	Expiring in May 2044
Xinxiang Mall	Hongqi district, Xinxiang	29.5%	25,394	Expiring in November 2045
Yuhuating Mall	Yuhua district, Changsha	47.9%	47,168	Expiring in March 2044
Yushan Mall	Yushan town, Kunshan	29.5%	28,125	Expiring in May 2045
Taohualun Mall	Heshan district, Yiyang	29.5%	23,313	Expiring in June 2045
TianjinOne Mall	Hexi district, Tianjin	19.7%	39,885	Expiring in September 2054
Weiyang Mall	Weiyang district, Yangzhou	29.5%	34,764	Expiring in July 2039/ April 2045
Xiangcheng Mall	Xiangcheng district, Zhangzhou	47.9%	30,326	Expiring in December 2043
INDIA				
Forum Value Mall, Bangalore [5]	Forum Value Mall, Bangalore	10.4%	46,817	Freehold
MALAYSIA				
Queensbay Mall (Strata Parcels) [6, 7]	Bayan Lepas, Penang	65.5%	82,902	Freehold

Name	Location	Effective Stake (%)	Total Net Lettable Area (sqm)	Tenure (Years)
COMPLETED PROJECTS *(cont'd)*				
JAPAN				
Chitose Mall	Chitose, Hokkaido	17.2%	15,737	Freehold
Co-op Kobe	Nishinomiya-shi, Hyogo	17.2%	7,969	Freehold
Ito Yokado Eniwa	Eniwa, Hokkaido	17.2%	14,842	Freehold
Izumiya Hirakata	Hirakata-shi, Osaka	17.2%	20,041	Freehold
La Park Mizue	Mizue, Edogawa-ku, Tokyo	17.2%	18,428	Freehold
Narashino Shopping Center	Funabashi-shi,Chiba	17.2%	10,736	Freehold
Vivit Square	Funabashi-shi,Chiba	17.2%	48,825	Freehold
HELD THROUGH CAPITAMALL TRUST (CMT)				
COMPLETED PROJECTS				
SINGAPORE				
Bugis Junction	Victoria Street	19.6%	39,084	99, expiring in September 2089
Bukit Panjang Plaza	Jelebu Road	19.6%	14,077	99,expiring in November 2093
Clarke Quay	River Valley Road	19.6%	27,373	99, expiring in January 2089
Funan DigitaLife Mall	North Bridge Road	19.6%	27,748	99, expiring in December 2078
Hougang Plaza [8]	Upper Serangoon Road	19.6%	7,000	99, expiring in February 2090
IMM Building	Jurong East	19.6%	87,672	60, expiring in January 2049
Junction 8	Bishan	19.6%	23,295	99, expiring in August 2090
Lot One Shoppers' Mall	Choa Chu Kang	19.6%	20,285	99, expiring in November 2092
Plaza Singapura	Orchard Road	19.6%	46,277	Freehold

SHOPPING MALLS

AS AT 31 DECEMBER 2010

Name	Location	Effective Stake (%)	Total Net Lettable Area (sqm)	Tenure (Years)
HELD THROUGH CAPITAMALL TRUST (CMT) *(cont'd)*				
COMPLETED PROJECTS *(cont'd)*				
SINGAPORE *(cont'd)*				
Rivervale Mall [8]	Rivervale Crescent	19.6%	7,537	99, expiring in December 2096
Sembawang Shopping Centre [8]	Sembawang Road	19.6%	11,928	999, expiring in March 2884
Tampines Mall	Tampines Central	19.6%	30,513	99, expiring in August 2091
The Atrium@Orchard	Orchard Road	19.6%	34,757	99, expiring in August 2107
UNDER DEVELOPMENT				
SINGAPORE				
JCube [8]	Jurong East	19.6%	26,113 (GFA)	99, expiring in February 2090
HELD THROUGH CAPITARETAIL CHINA TRUST (CRCT)				
COMPLETED PROJECTS				
CHINA				
Anzhen Mall	Chaoyang District, Beijing	17.9%	43,442	Expiring in October 2034/ March 2042/ June 2042
Jiulong Mall	Chaoyang District, Beijing	17.9%	49,463	Expiring in July 2042
Qibao Mall	Minhang District, Shanghai	17.9%	50,622	Master lease expiring in January 2024
Saihan Mall	Saihan district, Huhhot	17.9%	29,649	Expiring in March 2041
Wangjing Mall	Chaoyang DistrictˇBeijing	17.9%	55,871	Expiring in May 2043/ May 2053
Xizhimen Mall	Xizhimenwai Avenue, Beijing	17.9%	51,336	Underground commercial and retail use: Expiring in August 2044 Intergrated use: Expiring in August 2054
Zhengzhou Mall	Erqi District, Zhengzhou	17.9%	92,356	Expiring in May 2042

Name	Location	Effective Stake (%)	Total Net Lettable Area (sqm)	Tenure (Years)
HELD THROUGH CAPITAMALLS MALAYSIA TRUST (CMMT)				
COMPLETED PROJECTS				
MALAYSIA				
Gurney Plaza	Persiaran Gurney, Penang	27.3%	65,542	Freehold
Gurney Plaza Extension [9, 10]	Persiaran Gurney, Penang	27.3%	13,003	Freehold
The Mines	Jalan Dulang, Selangor	27.3%	66,880	99 years, expiring in March 2091
Sungei Wang Plaza (Strata Parcels) [11]	Jalan Sultan Ismail, Kuala Lumpur	27.3%	42,093	Freehold

Notes:
Excludes our interest in Horizon Realty Fund, which we do not manage.

Our effective interests in properties are based on our direct interests and our interests in the private real estate funds, CMT, CRCT and CMMT as at 31 December 2010.

For details of the Bedok Town Centre site and all Raffles City projects, please refer to the Integrated Developments section.

1 *We do not have equity interests in these properties as at 31 December 2010.*
2 *Held through a combination of equity and debentures.*
3 *Asset plan is currently under review.*
4 *The India Development Fund owns a 49.00% interest in a special purpose vehicle that has a 68.00% interest in the property.*
5 *NLA for India includes loading for common area.*
6 *Signed, with completion subject to, among other things, regulatory approvals for the asset-backed securitisation structure.*
7 *Refers to approximately 90.7% of the retail strata area and 100% of the carpark bays.*
8 *Total valuation of these properties is S$428.3 million.*
9 *Gurney Plaza Extension is considered as part of Gurney Plaza.*
10 *Signed, with completion subject to regulatory and unitholders' approvals and a placement of new units in CMMT. Effective stake subject to change after completion.*
11 *Refers to approximately 61.9% of the aggregate surveyed retail floor area of Sungei Wang Plaza and 100% of carpark bays. All information in this table pertains solely to this strata area.*

SERVICED RESIDENCES

SOMERSET HEPING SHENYANG
CHINA

SERVICED RESIDENCES

AS AT 31 DECEMBER 2010

Name	Location	Effective Stake(%)	Total Net Lettable Area (sqm)	No. of Units	Tenure (Years)
AUSTRALIA					
Citadines on Bourke Melbourne	Bourke Street, Melbourne	100%	15,372	380	Freehold
CHINA					
Ascott Beijing	Chaoyang District, Beijing	100%	41,936	310	70
Ascott Guangzhou	Tianhe District, Guangzhou	100%	14,456	208	70
Citadines Ashley Hongkong	Tsim Sha Tsui District, Hong Kong	100%	1,159	36	150
Citadines Biyun Shanghai	Jinqiao Export Processing Zone, Shanghai	33%	10,881	196	70
Citadines Central Xi'an	Beilin District, Xi'an	33%	7,300	162	70 (residential) 50 (commercial)
Citadines Gaoxin Xi'an	Hi-Tech Development Zone, Xi'an	33%	18,456	251	50
Citadines Xinghai Suzhou	Suzhou Industrial Park, Suzhou	100%	8,410	167	70
Citadines Zhuankou Wuhan	Zhuankou District, Wuhan	33%	15,685	249	40
Somerset Garden City Shenzhen	Nanshan District, Shenzhen	33%	13,123	147	70
Somerset Heping Shenyang	Taiyuan Street Commercial Zone, Shenyang	33%	22,700	270	30
Somerset International Building Tianjin	Heping District, Tianjin	33%	32,784	105	50
Somerset JieFangBei Chongqing	Yuzhong District, Chongqing	33%	13,756	157	40
Somerset Riverview Chengdu	Wuhou District, Chengdu	33%	18,444	200	50
Somerset Youyi Tianjin	Hexi District, Tianjin	33%	19,071	250	50
Somerset ZhongGuanCun Beijing	Haidian District, Beijing	100%	12,836	154	70 (general) 40 (third floor) 50 (clubhouse)
INDIA					
Citadines Boulevard Chennai (under construction)	Mount Poonamelle Road, Chennai	40%	10,119	220	Freehold
Citadines Hitec City Hyderabad (under construction)	Hitec City, Hyderabad	49%	8,310	218	Freehold
Citadines OMR Gateway Chennai (under construction)	Old Mahabalipuram Road, Chennai	40%	14,918	300	Freehold
Citadines Parimal Garden Ahmedabad (under construction)	Central Business District, Ahmedabad	40%	7,320	220	Freehold
Somerset Greenways Chennai (under construction)	Sathyadev Avenue, Chennai	64.4%	18,325	187	Freehold
Somerset Whitefield Bangalore (under construction)	Whitefield, Bangalore	40%	21,045	230	Freehold

SERVICED RESIDENCES

AS AT 31 DECEMBER 2010

Name	Location	Effective Stake(%)	Total Net Lettable Area (sqm)	No. of Units	Tenure (Years)
JAPAN					
Citadines Karasuma-Gojo Kyoto	Gojo-ku, Kyoto	40%	3,216	124	Freehold
Citadines Shinjuku Tokyo	Shinjuku-ku, Tokyo	40%	4,147	160	Freehold
JAPAN (CORPORATE LEASING)					
Actus Hakata V-Tower	Hakata-ward, Fukuoka	18.9%	8,478	297	Freehold
Big Palace Kita 14 Jo	Kita-ward, Sapporo	18.9%	4,397	140	Freehold
Colonnade Kamiikedai	Ota-ward, Tokyo	18.9%	2,632	43	Freehold
Fujimi Duplex Riz	Chiyoda-ward, Tokyo	18.9%	1,665	22	Freehold
Fukuoka College Court	Hakata-ward, Fukuoka	18.9%	2,706	112	Freehold
Grand E'terna Chioninmae	Higashiyama-ward, Kyoto	18.9%	928	19	Freehold
Grand E'terna Nabeshima	Nabeshima, Saga	18.9%	1,404	46	Freehold
Grand E'terna Nijojomae	Nakagyo-ward, Kyoto	18.9%	1,554	47	Freehold
Grand E'terna Saga	Honjocho, Saga	18.9%	4,124	128	Freehold
Grand Mire Miyamachi	Aoba-ward, Sendai	18.9%	2,213	91	Freehold
Grand Mire Shintera	Wakabayashi-ward, Sendai	18.9%	1,665	59	Freehold
Gravis Court Kakomachi	Naka-ward, Hiroshima	18.9%	1,955	63	Freehold
Gravis Court Kokutaiji	Naka-ward, Hiroshima	18.9%	1,403	48	Freehold
Gravis Court Nishiharaekimae	Asaminami-ward, Hiroshima	18.9%	1,089	30	Freehold
Infini Garden	Higashi-ward, Fukuoka	30%	33,017	395	Freehold
Kasahokomachi (House Saison Shijo-dori)	Shimogyo-ward, Kyoto	88.9%	4,932	191	Freehold
Marunouchi Central Heights	Naka-ward, Nagoya	88.9%	1,564	31	Freehold
SAMTY Namba-Minami	Naniwa-ward, Osaka	18.9%	3,331	123	Freehold
S-Residence Fukushima Luxe	Fukushima-ward, Osaka	18.9%	4,548	179	Freehold
S-Residence Gakuenzaka	Naniwa-ward, Osaka	88.9%	2,506	58	Freehold
S-Residence Hommachi Marks	Chuo-ward, Osaka	18.9%	2,930	110	Freehold
S-Residence Midoribashi Serio	Higashinari-ward, Osaka	18.9%	2,499	100	Freehold
S-Residence Namba Viale	Naniwa-ward, Osaka	88.9%	3,198	116	Freehold
S-Residence Shukugawa	Hyogo, Kobe	88.9%	2,545	33	Freehold
S-Residence Tanimachi 9 chome	Tennoji-ward, Osaka	18.9%	2,770	103	Freehold
The Grandview Osaka	Yodogawa-ward, Osaka	18.9%	5,379	60	Freehold
MALAYSIA					
Ascott Kuala Lumpur	Jalan Pinang, Kuala Lumpur	50% -1 unit	26,009	221	Freehold
Somerset Ampang Kuala Lumpur	Ampang District, Kuala Lumpur	100%	14,014	207	Freehold

Name	Location	Effective Stake(%)	Total Net Lettable Area (sqm)	No. of Units	Tenure (Years)
MALAYSIA *(cont'd)*					
Somerset Seri Bukit Ceylon Kuala Lumpur	Lorong Ceylon, Kuala Lumpur	100% of 48 units	7,193	96	Freehold
SINGAPORE					
Ascott Raffles Place Singapore	Finlayson Green	100%	10,338	146	999
THAILAND					
Ascott Sathorn Bangkok	South Sathorn Road, Bangkok	40%	21,022	177	50+10
Citadines Sukhumvit 8 Bangkok	Bangkok	49%	4,967	130	Freehold
Citadines Sukhumvit 11 Bangkok	Bangkok	49%	4,495	127	Freehold
Citadines Sukhumvit 16 Bangkok	Bangkok	49%	2,562	79	Freehold
Citadines Sukhumvit 23 Bangkok	Bangkok	49%	4,880	138	Freehold
HELD THROUGH ASCOTT RESIDENCE TRUST					
AUSTRALIA					
Somerset Gordon Heights Melbourne	Little Bourke Street, Melbourne	47.8%	1,691	43	Freehold
Somerset St Georges Terrace Perth	St Georges Terrace, Perth	47.8%	4,000	84	Freehold
BELGIUM					
Citadines Sainte-Catherine Brussels	Quai au Bois a Bruler, Brussels	47.8%	7,536 (NFA)	169	Freehold
Citadines Toison d'Or Brussels	Avenue de la Toison d'Or, Brussels	47.8%	8,662 (NFA)	154	Freehold
CHINA					
Somerset Grand Fortune Garden Beijing	Chaoyang District, Beijing	47.8% of 81 units	11,279	221	70
Somerset Olympic Tower Tianjin	Heping District, Tianjin	47.8%	25,043	185	70
Somerset Xu Hui Shanghai	Xu Hui District, Shanghai	47.8%	17,805	167	70
FRANCE					
Ascott Louvre Paris*	Rue de Richelieu, Paris	47.8%	3,373 (NFA)	51	Freehold
Citadines Antigone Montpellier	Boulevard d'Antigone, Montpellier	47.8%	5,575 (NFA)	122	Freehold
Citadines Austerlitz Paris	Rue Esquirol, Paris	47.8%	1,827 (NFA)	50	Freehold
Citadines Castellane Marseille	Rue du Rouet, Marseille	47.8%	3,974 (NFA)	97	Freehold
Citadines City Centre Grenoble	Rue de Strasbourg, Grenoble	47.8%	4,657 (NFA)	106	Freehold
Citadines City Centre Lille	Avenue Willy Brant-Euralille, Lille	47.8%	3,863 (NFA)	101	Freehold
Citadines Croisette Cannes	Rue le Poussin, Cannes	47.8%	2,139 (NFA)	58	Freehold
Citadines Les Halles Paris	Rue des Innocents, Paris	47.8%	9,207 (NFA)	189	Freehold

* *This property will operate as Citadines Louvre Paris till 3Q 2011. It will be fully refurbished and relaunched as Ascott Louvre Paris in 2012.*

SERVICED RESIDENCES

AS AT 31 DECEMBER 2010

Name	Location	Effective Stake(%)	Total Net Lettable Area (sqm)	No. of Units	Tenure (Years)
HELD THROUGH ASCOTT RESIDENCE TRUST *(cont'd)*					
FRANCE *(cont'd)*					
Citadines Montmartre Paris	Avenue Rachel, Paris	47.8%	4,079 (NFA)	111	Freehold
Citadines Montparnasse Paris	Avenue du Maine, Paris	47.8%	2,123 (NFA)	67	Freehold
Citadines Place d'Italie Paris	Place d'Italie, Paris	47.8%	7,090 (NFA)	169	Freehold
Citadines Porte de Versailles Paris	Rue Didot, Paris	47.8%	3,518 (NFA)	80	Freehold
Citadines Prado Chanot Marseille	Boulevard de Louvain, Marseille	47.8%	3,310 (NFA)	77	Freehold
Citadines Presqu'ile Lyon	Rue Thomassin, Lyon	47.8%	5,973 (NFA)	116	Freehold
Citadines Republique Paris	Avenue Parmentier, Paris	47.8%	3,217 (NFA)	76	Freehold
Citadines Tour Eiffel Paris	Boulevard de Grenelle, Paris	47.8%	5,380 (NFA)	104	Freehold
Citadines Trocadéro Paris	Rue Saint-Didier, Paris	47.8%	4,511 (NFA)	97	Freehold
GERMANY					
Citadines Arnulfpark Munich	Arnulfstrasse, Munich	47.3%	6,502 (NFA)	146	Freehold
Citadines Kurfürstendamm Berlin	Olivaer Platz, Berlin	47.8%	5,480 (NFA)	118	Freehold
INDONESIA					
Ascott Jakarta	Jalan Kebon Kacang Raya, Jakarta	47.3%	21,371	198	26
Somerset Grand Citra Jakarta	Jalan Prof Dr Satrio Kav 1, Jakarta	27.4%	29,666	203	30
JAPAN					
Somerset Azabu East Tokyo	Minato-ku, Tokyo	47.8%	4,019	79	Freehold
Somerset Roppongi Tokyo	Minato-ku, Tokyo	47.8%	3,542	64	Freehold
JAPAN (CORPORATE LEASING)					
Asyl Court Nakano Sakaue Tokyo	Nakano-ku, Tokyo	47.8%	1,522	62	Freehold
Gala Hachimanyama I Tokyo	Suginami-ku, Tokyo	47.8%	1,949	76	Freehold
Gala Hachimanyama II Tokyo	Suginami-ku, Tokyo	47.8%	363	16	Freehold
Joy City Koishikawa Shokubutsuen Tokyo	Bunkyo-ku, Tokyo	47.8%	1,012	36	Freehold
Joy City Kuramae Tokyo	Taito-ku, Tokyo	47.8%	1,705	60	Freehold
Zesty Akebonobashi Tokyo	Shinjuku-ku, Tokyo	47.8%	328	12	Freehold
Zesty Gotokuji Tokyo	Setagaya-ku, Tokyo	47.8%	356	15	Freehold
Zesty Higashi Shinjuku Tokyo	Shinjuku-ku, Tokyo	47.8%	459	19	Freehold
Zesty Kagurazaka I Tokyo	Shinjuku-ku, Tokyo	47.8%	464	20	Freehold
Zesty Kagurazaka II Tokyo	Shinjuku-ku, Tokyo	47.8%	442	20	Freehold
Zesty Kasugacho Tokyo	Nerima-ku, Tokyo	47.8%	787	32	Freehold

Name	Location	Effective Stake(%)	Total Net Lettable Area (sqm)	No. of Units	Tenure (Years)
HELD THROUGH ASCOTT RESIDENCE TRUST *(cont'd)*					
JAPAN (CORPORATE LEASING) *(cont'd)*					
Zesty Koishikawa Tokyo	Bunkyo-ku, Tokyo	47.8%	323	15	Freehold
Zesty Komazawa Daigaku II Tokyo	Merguro-ku, Tokyo	47.8%	947	29	Freehold
Zesty Nishi Shinjuku III Tokyo	Shinjuku-ku, Tokyo	47.8%	803	29	Freehold
Zesty Sakura Shinmachi Tokyo	Setagaya-ku, Tokyo	47.8%	554	17	Freehold
Zesty Shin Ekoda Tokyo	Nerima-ku, Tokyo	47.8%	467	18	Freehold
Zesty Shoin Jinja Tokyo	Setagaya-ku, Tokyo	47.8%	424	16	Freehold
Zesty Shoin Jinja II Tokyo	Setagaya-ku, Tokyo	47.8%	519	17	Freehold
PHILIPPINES					
Ascott Makati	Ayala Centre, Manila	47.8%	34,282	306	48
Somerset Millennium Makati	Legaspi Village, Manila	47.8% of 69 units	4,448	137	Freehold
Somerset Salcedo Makati	Salcedo Village, Manila	47.8% of 71 units	5,901	138	Freehold
SINGAPORE					
Citadines Mount Sophia Singapore	Wilkie Road	47.8%	7,015	154	96
Somerset Grand Cairnhill Singapore	Cairnhill Road	47.8%	20,048	146	99
Somerset Liang Court Singapore	River Valley Road	47.8%	17,070	197	97
SPAIN					
Citadines Ramblas Barcelona	Ramblas District, Barcelona	47.8%	6,440 (NFA)	131	Freehold
UNITED KINGDOM					
Citadines Barbican London	Goswell Road, London	47.8%	6,158 (NFA)	129	Freehold
Citadines Prestige Holborn-Covent Garden London	High Holborn, London	47.8%	8,403 (NFA)	192	Freehold
Citadines Prestige South Kensington London	Gloucester Road, London	47.8%	5,430 (NFA)	92	Freehold
Citadines Trafalgar Square London	Northumberland Avenue, London	47.8%	8,977 (NFA)	187	Freehold
VIETNAM					
Somerset Chancellor Court Ho Chi Minh City	Nguyen Thi Minh Khai Street, Ho Chi Minh City	32%	20,853	172	48
Somerset Grand Hanoi	Hai Ba Trung, Hanoi	36.3%	28,328	185	45
Somerset Ho Chi Minh City	Nguyen Binh Khiem Street, Ho Chi Minh City	33%	19,154	165	45
Somerset Hoa Binh Hanoi	Hoang Quoc Viet Street, Hanoi	43%	14,330	206	36
Somerset West Lake Hanoi	Thuy Khue Road, Hanoi	33.5%	5,349	90	49

INTEGRATED DEVELOPMENTS

RAFFLES CITY BEIJING
CHINA

INTEGRATED DEVELOPMENTS

AS AT 31 DECEMBER 2010

Name	Location	Effective Stake(%)	Gross Floor Area (sqm)	Tenure (Years)
UNDER DEVELOPMENT				
CHINA				
Daning Project	Zhabei District, Shanghai	100%	71,086	50 (office) 40 (retail and serviced residences)
Raffles City Changning	Changning District, Shanghai	36.9%	237,327	50
Raffles City Chengdu	Wuhou District, Chengdu	45.2%	194,962	40
Raffles City Hangzhou	Qianjiang New Town, Hangzhou	45.2%	283,568	40
Raffles City Ningbo	Jiangbei District, Ningbo	45.2%	92,673	50
Raffles City Shenzhen	Nanshan District, Shenzhen	50.2%	237,500	50
Tianjin International Trade Center	Hexi District, Tianjin	100%	190,350	50
BAHRAIN				
Raffles City Bahrain	Bahrain Bay, Manama	40.9%	286,976	Freehold
JAPAN				
Shinjuku Front Square	Shinjuku Ward, Tokyo	20%	123,981 (office, retail, and 298 residential units)	Freehold
KAZAKHSTAN				
Site at Almaty	Almaty	70%	35,000 (residential and serviced residences)	Freehold
UNITED ARAB EMIRATES				
Rihan Heights (Arzanah, Phase 1)	Abu Dhabi	49%	116,298 (saleable area)	Freehold
COMPLETED PROJECTS				
SINGAPORE				
Raffles City Singapore	North Bridge Road/ Stamford Road/ Bras Basah Road	26.9%	74,376 (retail, office and 2,030 hotel rooms) (NLA)	99
CHINA				
Raffles City Beijing	Dongcheng District, Beijing	45.2%	103,185	50 (office and serviced residences) 40 (retail)
Raffles City Shanghai	Huangpu District, Shanghai	25.2%	133,816	50
UNITED KINGDOM				
99-121 Kensington High Street	Central London	33.3%	34,443 (NLA)	Freehold
FUTURE DEVELOPMENT				
SINGAPORE				
Site at Bedok Town Centre	New Upper Changi/ Bedok North Drive	82.8%	52,295 (residential) 34,863 (retail)	99

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