CAPITALAND LIMITED (REGN. NO.: 198900036N)

CESSATION OF CL MOORGATE LIMITED AS A SUBSIDIARY

CapitaLand Limited ("CapitaLand") wishes to announce that CL Moorgate Limited ("CLML"), a company incorporated in England, has on 12 May 2005 ceased to be an indirect wholly-owned subsidiary of CapitaLand arising from the sale of the entire issued share capital of CLML (the "Sale") by CapitaLand UK Holdings Limited ("CUK"), another indirect wholly-owned subsidiary of CapitaLand. The Sale was completed on 12 May 2005.

The net consideration for the Sale was approximately £0.23 million (S$0.72 million) ("Consideration"). The Consideration, paid on 12 May 2005, was arrived at on a willing-buyer and willing-seller basis, taking into account, amongst other factors, the agreed market value of £45.72 million (S$141.81 million) for the property known as 19-31 Moorgate, London EC2, England (the "Property"), loans of £22.63 million (S$70.19 million) owing by CLML to a related company of CUK, and CLML's negative net tangible asset value of approximately £0.17 million (S$0.53 million) as at 11 May 2005.

The Property is held by Moorgate Investment Partnership, a limited partnership in England and Wales, in which CLML held a 50% share.

CapitaLand expects a gain of approximately S$4 million to be recorded for this transaction.

This transaction is not expected to have any material impact on the net tangible assets per share and the earnings per share of the CapitaLand Group for the financial year ending 31 December 2005.

None of the Directors and Controlling Shareholders of CapitaLand has any interest, direct or indirect, in the above transaction.

By Order of the Board

Ng Chooi Peng
Assistant Company Secretary
13 May 2005