CAPITALAND LIMITED

(Incorporated in the Republic of Singapore)
Company Registration No.: 198900036N

ANNOUNCEMENT

CAPITAL REDUCTION BY SUBSIDIARIES
(A) HOLLANDALE REALTY LIMITED
(B) SIMS PLACE REALTY LIMITED

CapitaLand Limited ("CapitaLand") wishes to announce that the High Court of the Republic of Singapore had on 10 November 2005 confirmed the capital reduction of the issued and paid-up share capital (the "Capital Reduction") of its following indirect subsidiaries:-

(A) HOLLANDALE REALTY LIMITED

Hollandale Realty Limited ("Hollandale"), a company incorporated in Singapore is an indirect wholly-owned subsidiary of CapitaLand. The Capital Reduction is effected through the reduction of the issued and paid-up share capital of Hollandale from S$45,000,000 divided into 45,000,000 ordinary shares of S$1 each to S$1,797,956 divided into 1,797,956 ordinary shares of S$1 each, by the cancellation of:-

(i) 29,502,044 of the said ordinary shares constituting part of the total issued and fully paid-up share capital of Hollandale, which has been lost or is unrepresented by available assets of Hollandale; and

(ii) 13,700,000 of the said ordinary shares constituting part of the total issued and fully paid-up share capital of Hollandale, and the sum of S$13,700,000 arising from such reduction of share capital be returned to CRL Realty Pte Ltd, the sole holder of all the issued and paid-up share capital of Hollandale.

(B) SIMS PLACE REALTY LIMITED

Sims Place Realty Limited ("Sims Place"), a company incorporated in Singapore is an indirect subsidiary of CapitaLand. The Capital Reduction is effected through the reduction of the issued and paid-up share capital of Sims Place from S$70,000,000 divided into 70,000,000 ordinary shares of S$1 each to S$100 divided into 100 ordinary shares of S$1 each, by the cancellation of 69,999,900 of the said ordinary shares constituting part of the total issued and fully paid-up share capital of Sims Place, and the sum of S$69,999,900 arising from such reduction of share capital be returned to the following shareholders in proportion to their respective shareholdings in Sims Place:-

(i) S$66,499,905 to CRL Realty Pte Ltd; and

(ii) S$3,499,995 to Citibank Finance Limited.

Copies of the Orders of Court confirming the Capital Reduction were lodged with the Accounting and Corporate Regulatory Authority on 16 November 2005.

The Capital Reduction is not expected to have any material impact on the net tangible assets or earnings per share of the CapitaLand group for the financial year ending 31 December 2005.

By Order of the Board

Ng Chooi Peng
Assistant Company Secretary
16 November 2005