CAPITALAND LIMITED

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

ANNOUNCEMENT

CAPITAL REDUCTION BY INDIRECT WHOLLY-OWNED SUBSIDIARY, HUA HONG HOLDINGS PTE. LTD.

CapitaLand Limited ("CapitaLand") wishes to announce that pursuant to Section 78B of the Companies Act, Chapter 50, its indirect wholly-owned subsidiary, Hua Hong Holdings Pte. Ltd. ("Hua Hong"), a company incorporated in Singapore, had on 11 December 2006 effected the reduction of its issued and paid-up share capital from S$60,430,000 to S$100,000 by the cancellation of an amount of S$60,330,000 constituting part of the issued and paid-up share capital of Hua Hong (the "Capital Reduction"). The sum of S$60,330,000 arising from the Capital Reduction is to be returned to its sole shareholder, CapitaLand Commercial and Integrated Development Limited, a wholly-owned subsidiary of CapitaLand.

Following the Capital Reduction, Hua Hong's issued and paid-up share capital is S$100,000 comprising 99,338 ordinary shares.

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 2006.

None of the Directors or the controlling shareholder of CapitaLand has any interest, direct or indirect, in the above transaction.

By Order of the Board

Ng Chooi Peng
Assistant Company Secretary
11 December 2006