**CapitaLand Limited**

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*(Regn. No.: 198900036N)*

11 December 2006

To: The Shareholders of Raffles Holdings Limited

Dear Shareholder,

**COMPULSORY ACQUISITION OF SHARES IN RAFFLES HOLDINGS LIMITED BY CAPITALAND LIMITED**

## 1. INTRODUCTION

On 2 November 2006, CapitaLand Limited ("**CapitaLand**") issued an exit offer letter ("**Exit Offer Letter**") and Raffles Holdings Limited ("**RHL**") issued a circular ("**Circular**"), both dated 30 October 2006, to the shareholders of RHL, in connection with the proposed voluntary delisting of RHL pursuant to Rule 1306 of the Singapore Exchange Securities Trading Limited Listing Manual and the delisting exit offer by CapitaLand to acquire all the ordinary shares in the capital of RHL other than those already held, directly or indirectly, by CapitaLand.

Unless otherwise defined herein, capitalised terms used in this letter shall have the same meanings as defined in the Exit Offer Letter and the Circular.

Prior to the Announcement Date, CapitaLand held, through its wholly-owned subsidiaries, CapitaLand Corporate Investments Pte Ltd and Areca Investment Pte Ltd, a total of 1,249,273,450 Shares, representing approximately 58.51 per cent. of the total number of issued Shares[1].

The Exit Offer has since closed as of 3.30 p.m. on 4 December 2006 with CapitaLand having received, pursuant to the Exit Offer, valid acceptances in respect of 825,812,066 Shares, representing approximately 38.68 per cent. of the total number of issued Shares[1].

As CapitaLand has received valid acceptances of the Exit Offer representing more than 90 per cent. of the total number of issued Shares (other than those already held by CapitaLand, its related corporations or their respective nominees as at the date of the Exit Offer), CapitaLand is now entitled to exercise the right of compulsory acquisition under Section 215(1) of the Companies Act, Chapter 50 of Singapore (the "**Companies Act**").

## 2. COMPULSORY ACQUISITION UNDER SECTION 215(1) OF THE COMPANIES ACT

According to the records maintained by The Central Depository (Pte) Limited and/or Lim Associates (Pte) Ltd ("**Lim Associates**"), you have not accepted the Exit Offer. Accordingly, we are writing to inform you that CapitaLand wishes to acquire all your Shares at a consideration of S$0.06 in cash for each Share you own (the "**Consideration**"). We enclose, for this purpose, a Notice to Dissenting Shareholder in the form prescribed under the Companies Act (the "**Form 57**").

[1] In this letter, the total number of issued Shares is 2,135,177,756 Shares.

CapitaLand will exercise the right of compulsory acquisition to acquire all your Shares on 11 January 2007 (the "**Transfer Date**"), being one (1) month after the date on which the Form 57 is given, subject to and on the terms set out in the enclosed Form 57 and the provisions of the Companies Act.

Upon the payment of the Consideration to RHL by CapitaLand, RHL will cause to be transferred to CapitaLand all the Shares held by you and register CapitaLand as the holder of all those Shares as soon as practicable. The Consideration will be credited by RHL into a separate bank account and held on trust for you.

As soon as practicable after the Transfer Date, Lim Associates will, on behalf of CapitaLand, despatch a cheque for the appropriate amount of the Consideration payable in respect of your Shares to you by ordinary post, at your own risk, to your address as it appears in the register of members of RHL.

**3. RIGHTS UNDER SECTION 215(3) OF THE COMPANIES ACT**

Under Section 215(3) of the Companies Act, you have a right to require CapitaLand to acquire your Shares. In connection therewith, a Notice to Non-Assenting Shareholder in the form prescribed under the Companies Act (the "**Form 58**") is enclosed with this letter. Technically, you may, within three (3) months after the Form 58 is given (that is, by 11 March 2007), give notice to CapitaLand requiring CapitaLand to acquire your Shares and CapitaLand shall be entitled and bound to acquire your Shares at the Consideration set out above.

As CapitaLand would be proceeding to compulsorily acquire your Shares on the terms set out in the enclosed Form 57, you need not take any action in relation to the Form 58.

If you are in any doubt about any of the matters in this letter, you should consult your stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.

Yours faithfully,
For and on behalf of
CapitaLand Limited



Liew Mun Leong
Director

enc.

**THE COMPANIES ACT**
**(CHAPTER 50)**
**THE COMPANIES REGULATIONS**
**SECTION 215 (1)**
**REGULATION 11 (1)**
**NOTICE TO DISSENTING SHAREHOLDER**

Form

57

Folio No

Name of Company : RAFFLES HOLDINGS LIMITED

Company No : 199506093G

To : The dissenting shareholders of Raffles Holdings Limited

In this notice:-

**Raffles Holdings Limited** is referred to as "**the transferor company**", and

**CapitaLand Limited** is referred to as "**the transferee company**".

On 2 November 2006, the transferee company made an offer to all the holders of ordinary shares in the transferor company. The offer price for each ordinary share in the transferor company was S$0.06 in cash.

Up to 4 December 2006 (being a date within 4 months after the making of the offer in that behalf by the transferee company), the offer was approved by the holders of not less than 90% of the total number of ordinary shares in the transferor company (other than shares already held at the date of the offer by the transferee company, its related corporations or their respective nominees).

The transferee company hereby gives you notice, in pursuance of section 215 of the Companies Act, that it desires to acquire the ordinary shares held by you in the transferor company.

You are entitled within 1 month after the receipt of this notice to require the transferee company, by demand in writing served on it, to supply you with a statement of the names and addresses of all other dissenting shareholders, and the transferee company will not be entitled or bound to acquire the shares of those dissenting shareholders until 14 days after the posting to you of the statement of those names and addresses.

Unless upon an application made to the High Court by you –

(a) on or before 11 January 2007 (being 1 month from the date of this notice); or

(b) on a date (within 14 days of a statement being supplied to you pursuant to section 215(2) of the Companies Act),

whichever is the later date, the High Court orders otherwise, the transferee company will, in pursuance of those provisions, be entitled and bound to acquire the ordinary shares held by you in the transferor company on the terms, which, under the scheme or contract to which the abovementioned offer relates, the shares of the approving ordinary shareholders in the transferor company are to be transferred to the transferee company.

Dated this 11th day of December 2006

Signature: _____

Name: Liew Mun Leong
Director, CapitaLand Limited

**THE COMPANIES ACT**
**(CHAPTER 50)**
**THE COMPANIES REGULATIONS**
**SECTION 215 (3) /**
**REGULATION 11 (2)**
**NOTICE TO NON-ASSENTING SHAREHOLDER**

Form

58

Folio No

Name of Company : RAFFLES HOLDINGS LIMITED

Company No : 199506093G

To : The non-assenting shareholders of Raffles Holdings Limited

In this notice:-

**Raffles Holdings Limited** is referred to as "**the transferor company**", and

**CapitaLand Limited** is referred to as "**the transferee company**".

A scheme or contract involving the transfer of ordinary shares in the transferor company to the transferee company was, up to 4 December 2006 (being a date within 4 months after the making of the offer in that behalf by the transferee company), approved by the holders of not less than 90% of the total number of ordinary shares in the transferor company (other than shares already held at the date of the offer by the transferee company, its related corporations or their respective nominees).

In pursuance of that scheme or contract, an aggregate of 825,812,066 ordinary shares were on 4 December 2006 agreed to be transferred to the transferee company or its nominee.

The transferee company hereby gives you notice, in pursuance of section 215 of the Companies Act, that those shares together with such other shares in the transferor company as were held by the transferee company, its related corporations or their respective nominees at the last mentioned date comprise or include 90% of the total number of ordinary shares in the transferor company.

In pursuance of the abovementioned provisions you may, within 3 months from the giving of this notice, give notice that you require the transferee company to acquire your holding of ordinary shares in the transferor company, and if you give that notice the transferee company will be entitled and bound to acquire those shares on the terms on which under the scheme or contract the shares of the approving shareholders were transferred to it, or on such other terms as are agreed or as the High Court on application made to it by you or by the transferee company thinks fit to order.

Dated this 11th day of December 2006

Signature: 

Name: Liew Mun Leong
Director, CapitaLand Limited