CAPITALAND LIMITED

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

ANNOUNCEMENT

CAPITAL REDUCTION BY WHOLLY-OWNED SUBSIDIARY, CAPITALAND COMMERCIAL AND INTEGRATED DEVELOPMENT LIMITED

CapitaLand Limited ("CapitaLand") wishes to announce that pursuant to Section 78C of the Companies Act, Chapter 50, its wholly-owned subsidiary, CapitaLand Commercial and Integrated Development Limited ("CCID"), a company incorporated in Singapore, had on 15 December 2006 effected the reduction of its issued and paid-up share capital from S$2,084,729,532 to S$1,584,000,000 by the cancellation of an amount of S$500,729,532 comprising 196,038,799 ordinary shares in the issued and paid-up share capital of CCID (the "Capital Reduction"). The sum of S$500,729,532 arising from the Capital Reduction is to be returned to its sole shareholder, CapitaLand.

Following the Capital Reduction, CCID's issued and paid-up share capital is S$1,584,000,000 comprising 620,146,083 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
15 December 2006