CAPITALAND LIMITED

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

ANNOUNCEMENT

UNDERTAKING IN RELATION TO CAPITACOMMERCIAL TRUST'S PROPOSED EQUITY FUND RAISING

CapitaLand Limited ("CapitaLand") refers to the circular dated 26 June 2006 issued by CapitaCommercial Trust Management Limited (the "CCT Manager"), the manager of CapitaCommercial Trust ("CCT"), on behalf of CCT.

The CCT Manager intends to issue new units (the "New Units", and the issue of New Units, the "Equity Fund Raising") in order to part finance the proposed acquisition by CCT of Raffles City[1] (the "Acquisition"). It is intended that the Equity Fund Raising will comprise:

(i) a non-renounceable preferential offering of New Units at the preferential offering issue price (the "Preferential Offering Issue Price") to Singapore registered unitholders (the "Preferential Offering");

(ii) an offering at the ATM offering issue price (the "ATM Offering Issue Price") to the public in Singapore through the automated teller machines of the participating banks (the "ATM Offering"); and

(iii) a private placement at the private placement issue price (the "Private Placement Issue Price") to institutional and other investors (the "Private Placement").

CapitaLand wishes to announce that to show its commitment to CCT and the Equity Fund Raising, CapitaLand Commercial and Integrated Development Limited ("CCID"), its wholly-owned subsidiary, has given an undertaking (the "Undertaking") to the CCT Manager, HSBC Institutional Trust Services (Singapore) Limited (as trustee of CCT), The Hongkong and Shanghai Banking Corporation Limited ("HSBC") and UBS AG, acting through its business group, UBS Investment Bank ("UBS") (HSBC and UBS being the joint lead managers for the Equity Fund Raising) that:-

[1] The whole of Lots 482M, 483W and 484V all of Town Subdivision 11 together with the buildings located at 250 North Bridge Road Singapore 179101 (Raffles City Tower), 252 North Bridge Road Singapore 179103 (Raffles City Shopping Centre), 2 Stamford Road Singapore 178882 (Swissôtel The Stamford) and 80 Bras Basah Road Singapore 189560 (Raffles The Plaza) together with (i) the subterranean stratum of state land lot 80002M of Town Subdivision 11 at Beach Road for a term of 99 years from 16 July 1979 and (ii) (if alienation approval is issued) subterranean stratum of state land lot 235N pt of Town Subdivision 11 at Beach Road, as well as the fixed plant and equipment located therein, including, without limitation, all fixtures, lifts, escalators, air-conditioning equipment and other plant and equipment located in or on the property which are owned by Tincel Properties (Private) Limited.

(i) CCID will procure that each of E-Pavilion Pte. Ltd. and SBR Private Limited, being its wholly-owned subsidiaries, accepts in full its provisional allocations of New Units under the Preferential Offering at the Preferential Offering Issue Price; and

(ii) CCID will:

a. in relation to all of the New Units under the Preferential Offering which have been allocated but are not taken up, directly subscribe and/or procure its subsidiaries to subscribe for such New Units at the Preferential Offering Issue Price;

b. in relation to all of the New Units under the ATM Offering which are not taken up, directly subscribe and/or procure its subsidiaries to subscribe for such New Units at the ATM Offering Issue Price;

c. directly subscribe and/or procure its subsidiaries to subscribe for such number of New Units under the Private Placement at the Private Placement Issue Price, being the difference between the total number of New Units which CCID will be required to subscribe to maintain its pre-placement unitholding, in percentage terms, and the total number of New Units under the Preferential Offering and the ATM Offering; and

d. in the event that CapitaMall Trust fails to obtain the approval of its unitholders for the Acquisition and CCT acquires Raffles City on its own or through a special purpose vehicle with CCT holding an interest of 100 per cent. in Raffles City, and there are New Units under the Private Placement remaining unsubscribed, CCID will, in addition to the New Units which it will subscribe under the foregoing sub-paragraphs, directly subscribe and/or procure its subsidiaries to subscribe for additional New Units under the Private Placement at the Private Placement Issue Price at an aggregate subscription amount not exceeding S$50 million.

Depending on the market conditions and the results of the book building which will be carried out by the Joint Lead Managers, the Joint Lead Managers may, but are not obliged to, claw back and reallocate the New Units which CCID has undertaken to subscribe for under sub-paragraph (ii) to other investors under the Private Placement.

In addition, in the event that there are any New Units under the Private Placement remaining unsubscribed after CCID has met its obligations pursuant to the Undertaking, CCID may, in support of CCT and the Equity Fund Raising, but is not obliged to, directly subscribe and/or procure its subsidiaries to subscribe for additional New Units which remain unsubscribed under the Private Placement at the Private Placement Issue Price at an aggregate subscription amount not exceeding S$200 million.

By Order of the Board

Ng Chooi Peng
Assistant Company Secretary
26 June 2006

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