CAPITALAND LIMITED

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

ANNOUNCEMENT

DISPOSAL OF THE ENTIRE STAKE IN AN INDIRECT ASSOCIATED COMPANY, MBO INTERNATIONAL PTE. LTD.

CapitaLand Limited ("CapitaLand") wishes to announce that its indirect wholly-owned subsidiary, CapitaLand China Holdings Pte Ltd has disposed of its entire 50% stake (comprising 2 ordinary shares) in MBO International Pte. Ltd. ("MBO International") for a cash consideration of S$2 ("Divestment"). MBO International is a dormant company.

Following the above Divestment, MBO International has ceased to be an indirect associated company of CapitaLand.

The above 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 controlling shareholder of CapitaLand has any interest, direct or indirect, in the transaction described above.

By Order of the Board

Ng Chooi Peng
Assistant Company Secretary
31 July 2006