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

ANNOUNCEMENT

COMPLETION OF SUBSCRIPTION OF A 20% STAKE IN LAI FUNG HOLDINGS LIMITED

Further to the announcement made on 12 March 2006, CapitaLand Limited ("CapitaLand") wishes to announce that its indirect wholly-owned subsidiary, CapitaLand LF (Cayman) Holdings Co., Ltd., a company incorporated in the Cayman Islands, has today completed the subscription of a 20% stake ("the Subscription") in Lai Fung Holdings Limited ("Lai Fung").

Following the completion of the Subscription, Lai Fung has become an indirect associated company of CapitaLand.

Based on the audited consolidated financial statements of CapitaLand for the financial year ended 31 December 2005:

(1) assuming that the Subscription was completed on 1 January 2005, CapitaLand's earnings per share would have been increased from 28.3 cents to 30.8 cents for the year ended 31 December 2005; and

(2) assuming that the Subscription was completed on 31 December 2005, the financial impact on CapitaLand's net tangible assets per share is not significant.

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
16 June 2006