CAPITALAND LIMITED

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

ANNOUNCEMENT

INCREASE IN SHARE CAPITAL OF ASSOCIATED COMPANY, TANGLIN RESIDENTIAL PTE. LTD.

CapitaLand Limited ("CapitaLand") wishes to announce that its indirect associated company, Tanglin Residential Pte. Ltd. ("Tanglin Residential") has increased its issued and paid-up ordinary share capital from S$2 to S$1,000,000 by an allotment and issue of 999,998 ordinary shares for cash consideration of S$999,998 (the "Share Capital Increase"). Tanglin Residential is an equal joint venture between CRL Realty Pte Ltd ("CRL Realty"), an indirect wholly-owned subsidiary of CapitaLand, and Lippo Group International Pte. Limited ("Lippo Group"), a party unrelated to CapitaLand. Each of CRL Realty and Lippo Group has subscribed 499,999 ordinary shares in the capital of Tanglin Residential for cash consideration of S$499,999.

The Share Capital Increase is for the purpose of complying with the requirements for the application of a Housing Developers Sale Licence in relation to the development of the residential project at Alexandra Road and Tiong Bahru Road.

CapitaLand's interest in Tanglin Residential remains unchanged at 50% after the Share Capital Increase.

The above transaction 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.

By Order of the Board

Ng Chooi Peng
Assistant Company Secretary
1 March 2006