CAPITALAND LIMITED

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

ANNOUNCEMENT

(I) ESTABLISHMENT OF INDIRECT WHOLLY-OWNED SUBSIDIARY, CAPITALAND (SICHUAN) HOLDINGS PTE. LTD.
(II) JOINT VENTURE AGREEMENT WITH CHENGDU ZHIXIN INDUSTRIAL CO., LTD.

(I) ESTABLISHMENT OF INDIRECT WHOLLY-OWNED SUBSIDIARY, CAPITALAND (SICHUAN) HOLDINGS PTE. LTD.

CapitaLand Limited wishes to announce the establishment of the following indirect wholly-owned subsidiary incorporated in Singapore:-

Name	:	CapitaLand (Sichuan) Holdings Pte. Ltd.
Principal Activity	:	Investment Holding
Share Capital	:	S$1 comprising 1 ordinary share

(II) JOINT VENTURE AGREEMENT WITH CHENGDU ZHIXIN INDUSTRIAL CO., LTD.

CapitaLand Limited ("CapitaLand") wishes to announce that its indirect wholly-owned subsidiary, CapitaLand China Holdings Pte Ltd ("CCH") has today entered into a joint venture agreement (the "JV Agreement") with Chengdu Zhixin Industrial Co., Ltd. ("Chengdu Zhixin"), a leading Sichuan developer with a strong market presence in Chengdu, China.

Pursuant to the JV Agreement, CCH and Chengdu Zhixin will establish a 50:50 joint venture company in Chengdu, Sichuan province, China, namely Sichuan Zhixin CapitaLand Co., Ltd. (the "JV Company") with a total registered equity capital of

RMB700 million (approximately SGD138 million). The JV Company will undertake land and real estate development in the Sichuan province and will also have the first right of refusal to Chengdu Zhixin's future deal flow in the Sichuan province. Upon establishment, the JV Company will become an associated company of CapitaLand.

CCH will inject an initial total capital contribution of RMB1.44 billion (approximately SGD284 million) in the JV Company, comprising RMB350 million (approximately SGD69 million) registered equity (representing 50% of the total registered equity capital of the JV Company) and RMB1.09 billion (approximately SGD215 million) of shareholder's loan. CCH and Chengdu Zhixin will each make equal capital contributions for subsequent registered equity and shareholders' loan increments for future investments. CapitaLand's stake will be held by its indirect wholly-owned subsidiary, CapitaLand (Sichuan) Holdings Pte. Ltd., a Singapore incorporated company.

The above transaction is not expected to have any material impact on the net tangible assets and earnings per share of the CapitaLand Group for the financial year ending 31 December 2006.

None of the Directors or controlling shareholders of CapitaLand has any interest direct or indirect in the above transaction.

By Order of the Board

Ng Chooi Peng
Assistant Company Secretary
30 May 2006