CAPITALAND LIMITED

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

ANNOUNCEMENT

LODGMENT OF CAPITARETAIL CHINA TRUST PRELIMINARY PROSPECTUS

Further to our announcement dated 23 October 2006 in relation to the eligibility-to-list letter issued by Singapore Exchange Securities Trading Limited (the "**SGX-ST**") regarding the admission of units in CapitaRetail China Trust ("**CRCT**", and the units in CRCT, the "**Units**") to the Official List of the SGX-ST, CapitaLand Limited ("**CapitaLand**" or the "**Sponsor**") is pleased to announce that the manager of CRCT, CapitaRetail China Trust Management Limited (the "**Manager**"), an indirect wholly-owned subsidiary of the Sponsor, has today lodged the preliminary prospectus (the "**Preliminary Prospectus**") of CRCT in connection with the Offering (as defined herein) with the Monetary Authority of Singapore ("**MAS**"). The proposed listing of CRCT is sponsored by CapitaLand.

Retail Crown (BVI) Limited (the "**Vendor**"), an indirect wholly-owned subsidiary of the Sponsor, is proposing to make an offering (the "**Offering**") of 193,300,000 Units for sale at a purchase price for each Unit (the "**Offering Price**") which is currently expected to be between S$0.95 and S$1.13 (the "**Offering Price Range**").

The Offering will consist of (i) (a) a placement to investors, including institutional and other investors outside Singapore (the "**International Placement**") and (b) a placement to institutional and other investors in Singapore (the "**Singapore Placement**") and (ii) an offering to the public in Singapore (the "**Singapore Public Offer**"). A portion of the Singapore Public Offer will be reserved for purchase by the directors, management, employees and business associates of the Sponsor and its subsidiaries.

CapitaLand Financial Services Limited, an indirect wholly-owned subsidiary of CapitaLand, is the financial adviser to the Vendor and the Manager and J.P. Morgan (S.E.A.) Limited ("**JPMorgan**") is the sole financial adviser to the Offering. JPMorgan and UBS AG, acting through its business group, UBS Investment Bank ("**UBS**") are the joint underwriters of the Singapore Public Offer and the Singapore Placement while JPMorgan, UBS and China International Capital Corporation Limited ("**CICC**") are the joint underwriters of the International Placement. JPMorgan, UBS and CICC shall collectively be known as the "**Underwriters**". DBS Bank Ltd ("**DBS**") is the coordinator for the Singapore Public Offer and the sub-underwriter.

The Offering Price, which will be between S$0.95 and S$1.13 for each Unit, will be determined following a book-building process by agreement between the Underwriters and the Vendor.

The offer structure and size of CRCT as well as the Offering Price Range is only indicative at this juncture and will be finalised following the completion of the book-building exercise in connection with the Offering.

In connection with the Offering, JPMorgan will be granted an over-allotment option by the Vendor to purchase from the Vendor up to an aggregate of 28,800,000 Units at the Offering Price, solely to cover over-allotment of Units (if any) subject to any applicable laws and regulations.

The proposed Offering is subject to, among other things, receipt of all relevant regulatory clearances and approvals. Accordingly, shareholders and other investors should note that the proposed Offering is dependent on a number of factors and subject to a number of conditions, which may or may not be satisfied. The Sponsor has not made a final decision on whether or not to proceed, and if so, when to proceed, with the proposed Offering. As such, there can be no assurance that the proposed Offering will proceed.

By Order of the Board

Low Sai Choy
Company Secretary
8 November 2006

IMPORTANT NOTICE

This Announcement is made in reliance on Section 300(4)(a) of the Securities and Futures Act, Chapter 289 of Singapore and does not constitute an offer, invitation to purchase or subscribe for or solicitation of the Units in Singapore or any other jurisdiction nor should it or any part of it form the basis of, or be relied upon in any connection with, any contract or commitment whatsoever. The information in this Announcement is qualified in its entirety by, and is subject to, the information to be set out in the final prospectus (the "Final Prospectus") to be registered by the MAS. The information presented in this Announcement is subject to change. After registration of the Final Prospectus by the MAS, copies of the Final Prospectus relating to the proposed Offering may be obtained, subject to availability, from JPMorgan, UBS and DBS and, where applicable, from members of the Association of Banks in Singapore, members of the SGX-ST and merchant banks in Singapore. Anyone wishing to purchase the Units should read the Final Prospectus before deciding whether to purchase the Units and will need to make an application in the manner set out in the Final Prospectus. Any decision to purchase the Units should be made solely on the basis of information contained in the Final Prospectus and no reliance should be placed on any information other than that contained in the Final Prospectus.

The value of the Units and the income derived from them may fall as well as rise. The Units are not obligations or, deposits in, or guaranteed by, CapitaLand, the Vendor, the Manager, HSBC Institutional Trust Services (Singapore) Limited, as trustee of CRCT (the "**Trustee**"), the Underwriters, DBS or any of their respective affiliates. An investment in the Units will be subject

to investment risks, including without limitation, risks relating to the initial property portfolio of CRCT, risks relating to CRCT's operations and risks relating to investing in real estates, and including the possible loss of the principal amount invested. Investors will have no right to request that the Manager redeem or purchase the Units while the Units are listed. It is intended that holders of the Units may only deal in their Units through trading on the SGX-ST. Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

This Announcement should not be distributed to persons with addresses in the United States of America or in any other country where such distribution may lead to a breach of any applicable law and/or regulation. The Units will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**") or under the relevant securities laws of any state or other jurisdiction of the United States. Accordingly, the Units may not (unless an exemption under the Securities Act or other relevant securities laws is available) be offered, sold, taken up, or delivered, directly or indirectly, in, into or from the United States or any other jurisdiction where this would constitute a violation of the relevant laws of, or require registration thereof in, such a jurisdiction or to, or for the account or benefit of, any U.S. persons (as defined in Regulation S under the Securities Act).

This Announcement may contain forward-looking statements that involve risks and uncertainties. Any actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Under no circumstances should the inclusion of such information herein be regarded as a representation, warranty or prediction with respect to the accuracy of the underlying assumptions by CapitaLand, the Vendor, the Manager, the Trustee, the Underwriters, DBS or any of their respective affiliates or any other person or that these results will be achieved or are likely to be achieved. Potential investors are cautioned not to place undue reliance on these forward-looking statements, which are based on CapitaLand's current view of future events.

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