CAPITALAND LIMITED

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

ANNOUNCEMENT

2.10 PER CENT. CONVERTIBLE BONDS DUE 2016
UP-SIZED BY S$80 MILLION
BRINGING TOTAL ISSUE SIZE TO S$430 MILLION PRINCIPAL AMOUNT

CapitaLand Limited ("CapitaLand" or the "Company") refers to its announcements dated 5 October 2006 and 6 October 2006 in connection with its proposed issue of S$350 million principal amount of 2.10 per cent. convertible bonds due 2016 (the "Convertible Bonds"), convertible into new ordinary shares in the capital of the Company ("Shares"). J.P. Morgan (S.E.A.) Limited ("JPMorgan") is the sole bookrunner and lead manager of the issue of the Convertible Bonds. As mentioned in its announcement dated 6 October 2006, the Company has granted JPMorgan a 30-day over-allotment option (the "Over-Allotment Option") for the issue of up to an additional S$150 million principal amount of Convertible Bonds.

All capitalised terms used and not defined herein shall have the same meanings given to them in the announcements dated 5 October 2006 and 6 October 2006 made by the Company.

CapitaLand has today upsized its proposed issue of Convertible Bonds by S$80 million principal amount bringing the total issue size to S$430 million.

The number of new Shares to be allotted and issued by the Company, pursuant to the full conversion of the Convertible Bonds, including the additional S$80 million principal amount of Convertible Bonds, is 58,794,574 (based on the conversion price of S$7.3136 and assuming no adjustments to the conversion price). The 58,794,574 new Shares represent approximately 2.12 per cent. of the existing Shares in issue.

Accordingly, the financial effects of the issue of the Convertible Bonds (including the additional S$80 million principal amount of Convertible Bonds pursuant to the exercise of the Over-Allotment Option), based on the audited consolidated financial statements of the Group as at 31 December 2005, and the unaudited consolidated financial statements of the Group as at 30 June 2006, on the share capital, net tangible assets ("NTA") per share and net gearing of the Group are as follows:

	The Group and the Company	
	31 December 2005	30 June 2006
Number of Shares (in '000)		
- Before the issue of Convertible Bonds	2,750,503	2,773,408
- Assuming full conversion of the Convertible Bonds	2,809,298	2,832,203

	The Group	
	31 December 2005	30 June 2006
NTA per Share (S$)		
- Before the issue of Convertible Bonds	2.41	2.33
- Assuming full conversion of the Convertible Bonds	2.51	2.43
Net Gearing (No. of times)		
- Before the issue of Convertible Bonds	0.50	0.55
- Assuming full conversion of the Convertible Bonds	0.44	0.48

By Order of the Board

Low Sai Choy
Company Secretary
Singapore,
25 October 2006