CAPITALAND LIMITED

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

ANNOUNCEMENT

DIVESTMENT OF STAKE IN PREMIER HEALTH CORPORATION (M) SDN BHD

CapitaLand Limited ("CapitaLand") had previously announced that its indirect wholly-owned subsidiary, Premier Health Corporation International Pte Ltd ("PHCI") has agreed to dispose of its entire 65% stake (the "Divestment") in Premier Health Corporation (M) Sdn Bhd ("PHCM") to Health Management International Limited ("HMI") for RM12 million (approximately S$5.13 million) subject to the fulfillment of certain conditions.

With the fulfillment of most of the conditions precedent, PHCI has on 20 September 2006 entered into a supplemental deed to the sale and purchase agreement with HMI to, amongst other things, schedule the completion date of the Divestment to 31 October 2006 or such other date as provided in the aforesaid supplemental deed.

The Divestment 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.

None of the Directors or controlling shareholder of CapitaLand has any interest, direct or indirect, in the Divestment.

A copy of the announcement issued today by HMI on this transaction is attached for information.

By Order of the Board

Low Sai Choy
Company Secretary
21 September 2006