CAPITALAND LIMITED

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

ANNOUNCEMENT

PURCHASE OF REMAINING 50% STAKE IN EUREKA OFFICE FUND PTE LTD

CapitaLand Limited ("**CapitaLand**") wishes to announce that its indirect wholly-owned subsidiary, CapitaLand (Office) Investments Pte Ltd ("**COI**") has today completed the purchase of Eureka Gmbh ("**EG**")'s entire stake in Eureka Office Fund Pte Ltd ("**EOF**"), comprising 50% of the ordinary shares and 50% of the voting preference shares in the issued share capital of EOF (the **"Sale Shares"**) not already owned by COI (the "**Share Purchase**"). EG belongs to the Munich Re Group.

EOF owns the commercial building known as 1 George Street ("**OGS**") and 163 strata-titled units (comprising both office and retail units) in the mixed-use building known as The Adelphi (**"The Adelphi Units"**), which are held through EOF's wholly-owned subsidiaries, George Street Pte Ltd (**"GSPL"**) and Adelphi Property Pte Ltd (**"APPL"**) respectively. In addition, EOF owns 19.92% of the issued share capital of Temasek Tower Limited ("**TTL**").

The aggregate cash consideration for the Share Purchase is S$590.6 million, subject to a post-completion adjustment of the net asset value of EOF as of 28 August 2007 and was arrived at on a willing-buyer willing-seller basis, taking into account, among other factors, the agreed value of OGS of S$1.2 billion (based on S$2,700 per square foot) and the agreed value of The Adelphi Units of S$231.5 million (based on S$1,300 per square foot) respectively (collectively, the **"Agreed Values"**).

The proforma net asset value of the Sale Shares as at 31 July 2007, after taking into account the Agreed Values was approximately S$590.6 million.

Following the completion of the Share Purchase, EOF and its subsidiaries GSPL, APPL and TTL have become indirect wholly-owned subsidiaries of CapitaLand.

The Share Purchase 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 2007.

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

By Order of the Board

Low Sai Choy
Company Secretary
28 August 2007