CAPITALAND LIMITED

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

ANNOUNCEMENT

INCREASE OF INTEREST IN CAPITARETAIL JAPAN FUND PRIVATE LIMITED

CapitaLand Limited ("CapitaLand") wishes to announce that its indirect wholly-owned subsidiary, CapitaLand Retail Japan Investments Pte Ltd ("CRJI"), has today purchased (the "Purchase") 5,038 redeemable preference shares (the "Shares") in the share capital of CapitaRetail Japan Fund Private Limited (the "Fund") from ING Asia Private Bank Limited ("ING") at a total cash consideration of JPY569,260,134 (approximately S$7.34 million) (the "Consideration").

The Consideration was arrived at on a willing-buyer willing-seller basis, taking into account the value of the underlying investments of the Fund. The net tangible asset value of the Shares was approximately JPY550 million (S$7.09 million) based on the management accounts as at 31 December 2006.

Together with the Purchase, ING has also novated to CRJI its rights and obligations to subscribe for a further 10,986 redeemable preference shares ("RPS") in the share capital of the Fund at a subscription price of JPY100,000 (approximately S$1,289) each.

CapitaLand's indirect interest in the Fund has increased from 22.66% (comprising 31,436 RPS) to 26.29% (comprising 36,474 RPS) following the Purchase. The remaining 73.71% interest in the Fund is held by parties unrelated to CapitaLand.

The Fund is a closed-end private investment company providing institutional investors with an opportunity to invest in retail properties in Japan.

The transaction 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 above transaction.

By Order of the Board

Low Sai Choy
Company Secretary
15 March 2007