CAPITALAND LIMITED

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

ANNOUNCEMENT

PLACEMENT OF SHARES REPRESENTING 50% EQUITY INTEREST IN ANKERITE PTE. LTD. TO STRATEGIC PARTNERS

CapitaLand Limited ("CapitaLand") wishes to announce that its wholly-owned subsidiary, CRL Realty Pte Ltd ("CRL Realty"), has today entered into a conditional sale and purchase agreement (the "Agreement") with HPL Orchard Place Pte Ltd ("HPL"), a subsidiary of Hotel Properties Limited, and two private funds, who are all parties unrelated to CapitaLand. Pursuant to the Agreement, CRL Realty has agreed to place out in aggregate 500,000 ordinary shares (the "Placement"), representing 50% of the total issued share capital of Ankerite Pte. Ltd. ("Ankerite") for a cash consideration of S$500,000 (the "Consideration").

The Placement is in line with CapitaLand Group's capital productivity strategy. CapitaLand will continue to invest in the Singapore residential market and plans to deploy the capital from the Placement to invest in other residential sites to cater to a broad spectrum of homebuyers.

Ankerite, which is currently wholly-owned by CRL Realty, had on 5 February 2007 entered into a sale and purchase agreement to acquire the Gillman Heights Condominium (the "Property") located along Alexandra Road, Singapore. The site provides opportunities to develop branded residences featuring new lifestyle concepts. CapitaLand will be the lead development manager for the project, responsible for the full spectrum of sales and marketing, product design and development and project management.

HPL and the two private funds are strong partners who share CapitaLand's confidence in the Singapore residential market. The Consideration was arrived at on a willing-buyer willing-seller basis, taking into account the net tangible asset of Ankerite. Pursuant to the Agreement, HPL and the two private funds will extend proportionate shareholders' loans, which currently comprise primarily the stamp duty amounting to S$16.4 million and the 5% deposit paid for the Property valued at S$548 million.

Completion of the Placement is expected to take place by the second quarter of 2007 (the "Completion"). Upon Completion, CapitaLand's interest in Ankerite will be reduced to 50% and Ankerite will become an associated company of CapitaLand.

The Placement is not expected to have any material impact on the net tangible asset 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 Placement.

By Order of the Board

Low Sai Choy
Company Secretary
15 May 2007