CAPITALAND LIMITED

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

ANNOUNCEMENT

SUBSCRIPTION FOR ORDINARY AND REDEEMABLE PREFERENCE SHARES IN THE SHARE CAPITAL OF CAPITALAND AIF LIMITED

CapitaLand Limited ("CapitaLand") wishes to announce that its indirect wholly-owned subsidiary, CapitaLand Financial Investments Pte Ltd ("CFIPL"), has subscribed for and been issued an additional seven ordinary shares ("OS") of US$1.00 each at par and 25,960 redeemable preference shares ("RPS") of US$0.01 each at US$1,000 each (the "Subscription") in the share capital of CapitaLand AIF Limited ("CAL"), another indirect wholly-owned subsidiary of CapitaLand. The aggregate subscription price of US$25,960,007 (approximately S$39 million) was paid wholly in cash. As a result of the Subscription, CFIPL holds an aggregate of eight OS and 25,960 RPS in CAL.

CAL has also at the same time issued another 10 OS and 32,450 RPS to three third parties unrelated to CapitaLand following which, CapitaLand's interest in CAL has therefore been reduced to approximately 44% (the "Dilution"). Thus, CAL has ceased to be an indirect wholly-owned subsidiary and become an indirect associated company of CapitaLand.

The Subscription as well as the Dilution are not expected to have any material impact on the net tangible assets per share and the earnings per share of 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 Subscription.

By Order of the Board

Low Sai Choy
Company Secretary
15 October 2007