CAPITALAND LIMITED

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

ANNOUNCEMENT

SALE OF INDIRECT WHOLLY–OWNED SUBSIDIARY
ISHA INVESTMENTS (MAURITIUS) LIMITED

CapitaLand Limited ("CapitaLand") wishes to announce that its indirect wholly-owned subsidiary, Ivory Investments Limited, has sold its entire 100% interest (comprising 22,700,008 ordinary shares) in Isha Investments (Mauritius) Limited ("ISHA") (the "Sale") to Island Investment Holdings (Singapore) Pte. Ltd., a wholly-owned subsidiary of CapitaRetail India Development Fund (the "Fund").

The Fund is a closed-end private fund constituted on 22 November 2007, with a total capital commitment of S$880 million. CapitaLand has an indirect interest of approximately 45% in the Fund which is set up to invest in retail mall developments in India.

ISHA has an interest in the Udaipur Celebration Mall, which is currently under development, and this interest has been transferred to the Fund on completion of the Sale.

The aggregate cash consideration for the Sale is S$23.3 million including holding and transaction costs and was arrived at on a willing-buyer willing-seller basis. The net tangible asset value of ISHA was approximately S$22.6 million as of 31 January 2008.

Following the Sale, ISHA has ceased to be an indirect wholly-owned subsidiary of CapitaLand.

The above transaction is not expected to have any material financial impact on the net tangible assets or earnings per share of the CapitaLand Group for the financial year ending 31 December 2008.

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
25 February 2008