CAPITALAND LIMITED

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

ANNOUNCEMENT

INCREASE IN ISSUED AND PAID-UP SHARE CAPITAL OF CITADINES MELBOURNE ON BOURKE LAND PTY LTD

CapitaLand Limited ("CapitaLand") wishes to announce that its indirect wholly-owned subsidiary, Citadines Melbourne On Bourke Land Pty Ltd ("CMOBL"), has increased its issued and paid-up share capital from A$610,000 (approximately S$708,000) to A$6,250,000 (approximately S$7,252,000) (the "Share Increase") by an allotment and issue of 5,640,000 ordinary shares to its sole shareholder, The Ascott Holdings Limited, an indirect wholly-owned subsidiary of CapitaLand, for a cash consideration of A$5,640,000 (approximately S$6,544,000).

Following the Share Increase, CMOBL's issued and paid-up share capital of A$6,250,000 comprises 6,250,000 ordinary shares.

CMOBL was established in connection with Ascott's investment in the development of a 398-unit serviced residence in Melbourne's Central Business District to be named Citadines Melbourne on Bourke, which investment was disclosed previously by The Ascott Group Limited in its news release on 25 January 2008. CMOBL has acquired the land for the development of Citadines Melbourne on Bourke and construction is ongoing with completion expected in the second half of 2010.

Located at the heart of the CBD at 131-135 Bourke Street, Citadines Melbourne on Bourke is within walking distance to public transport including trains, trams and buses, and is well-served by amenities like restaurants, cafes, cinemas, high-end shopping malls as well as parks and gardens. It is also at the midpoint of Melbourne's renowned theatre district and close to major office towers.

The above 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 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
22 October 2008