For Immediate Release
18 October 2005

CapitaLand acquires Seiyu Singapore to unlock value at Parco Bugis Junction

Singapore, 18 October 2005 – CapitaLand Limited ("CapitaLand") has entered into a sale and purchase agreement with The Seiyu, Ltd. ("Seiyu Japan") to acquire Seiyu (Singapore) Private Limited ("Seiyu Singapore"), a retail department store operator, for a cash consideration of S$1 million, subject to completion and post completion adjustments. The acquisition is expected to be completed on 1 December 2005 or such other date as the parties may mutually agreed in writing. Concurrently, CapitaLand is in final negotiation with several interested parties to on-sell Seiyu Singapore so as to unlock value at Parco Bugis Junction.

The transaction was made through CapitaLand Retail Investments (SY) Pte Ltd, an indirect wholly-owned subsidiary of CapitaLand, which entered into a sale and purchase agreement with Seiyu Japan to acquire 21,430,000 ordinary shares of S$1 each (the "Sale Shares"), constituting 100% of the issued share capital of Seiyu Singapore. The adjusted net tangible asset value of the Sale Shares based on the management accounts of Seiyu Singapore for the period ended 31 August 2005 is approximately S$4 million.

Seiyu Singapore

Seiyu Singapore is wholly owned by Seiyu Japan, one of the largest general merchandise retailers in Japan. It currently has three department stores located in Junction 8, Lot 1 Shoppers' Mall, and Parco Bugis Junction.

<u>About CapitaLand Group</u>

CapitaLand is one of the largest property companies in Asia. Headquartered in Singapore, the multinational company's core businesses in property, hospitality and real estate financial services are focused in gateway cities in Asia, Australia and Europe.

The company's property and hospitality portfolio spans 70 cities in 17 countries. CapitaLand also leverages on its significant real estate asset base and market knowledge to develop fee-based products and services in Singapore and the region. The listed subsidiaries and associates of CapitaLand include The Ascott Group, Raffles Holdings, CapitaMall Trust, CapitaCommercial Trust and Australand, which is listed both in Singapore and Australia.

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