For Immediate Release
15 February 2006

CapitaLand forms joint venture to develop residential project in Mumbai, India

Runwal CapitaLand to build more than 500 apartment units by 2006

Singapore, 15 February 2006 – CapitaLand and the Runwal Group, an established Mumbai-based developer, have entered into a joint venture to develop a residential project on a site in Ghatkopar in Mumbai, India. Runwal CapitaLand India Pvt. Ltd., the proposed Indian joint venture company, will be 49% held by Lonsvale Pte Ltd, an indirect wholly-owned subsidiary of CapitaLand. The Runwal Group, which has developed more than 35 residential and commercial projects in Mumbai, will hold 51%. The joint venture company will develop more than 500 apartment units, as part of a mixed-use development to be built on a 20-acre (80,874-square metre) site.

The site in Ghatkopar is well connected to the international and domestic airports, major arterial roads, and emerging business hubs in Mumbai. There is an estimated population of about 2 million within a 4 kilometre radius of the site, which is located in western Ghatkopar, one of the more populated suburbs of central Mumbai that is increasingly becoming a premium residential area.

Mr Liew Mun Leong, President and CEO of CapitaLand Group, said: "The Runwal Group is well-established as a leading developer in Mumbai. Together, we see the potential of Ghatkopar, which has a significant proportion of upper middle and middle income residents. With the local domain knowledge of our partner, combined with CapitaLand's global real estate experience, we will ride on India's robust economic growth. For this residential project, we will bring our international expertise in design and development, so as to contribute to the transformation of Ghatkopar into a premier residential precinct."

Mr Subhash Runwal, founder of the Runwal Group, said: "We are delighted to partner CapitaLand, one of Asia's largest property groups and reputed as a forerunner in residential, retail and commercial property, and real estate financial products in Singapore and the region. By leveraging on each other's strengths and expertise, we believe that we will create a landmark residential development that will be well-received by the market."

Mr Lui Chong Chee, CEO of CapitaLand Residential, said: “India’s economy is robust and is supported by buoyant domestic demand. Homes in the suburbs are increasingly gaining popularity and residential prices in Mumbai are on the uptrend. For our first project in Mumbai, we are poised to create quality homes of international standards on an excellent location. We expect to commence construction and launch the apartments in late 2006.”

For its 49% stake in the joint venture company, CapitaLand will pay a consideration of approximately Rupees 817.5 million (approximately S$30.2 million), subject to the necessary government clearances and approvals. The residential component of the project, for which the joint venture is undertaking, will have a built-up area of 50,000 square metres, as required under Indian laws for foreign direct investment into real estate.

About Runwal Group of Companies

Formed in 1978, the Runwal Group of companies has core businesses in real estate and pharmaceutical manufacturing. The Group has developed more than 35 landmark projects with more than 7 million square feet in and around Mumbai since its inception. One of the Runwal Group’s latest projects is the 250,000-square feet (23,226-square metre) R Mall in suburban Mumbai.

About CapitaLand Group

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.

Issued by: **CapitaLand Limited** *(Co. Regn. 198900036N)*
Date: **15 February 2006**

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