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NEWS RELEASE

CapitaLand acquires 29.75% stake in Central China Holdings Group, a leading Henan developer

Singapore, 29 October 2006 – CapitaLand China Holdings, through its wholly owned subsidiary, CapitaLand LF (Cayman) Holdings, has entered into an agreement to acquire an effective 29.75% stake in Central China Holdings Group (formerly known as the Jian Ye Group) for a total consideration of RMB601 million (S$120.7 million). Central China Holdings Group is an established developer in Zhengzhou, the capital of Henan Province. The acquisition of the equity stake marks CapitaLand's maiden entry into the central China residential market.

The agreement also allows CapitaLand LF (Cayman) Holdings to subscribe for additional new shares in Central China Holdings Group for RMB500 million (S$100.4 million) which will increase CapitaLand China Holdings' effective stake by a further 13.94%.

CapitaLand's stake in Central China Holdings is through Joy Ascend (BVI), an investment holding vehicle whose sole investment holding is its 100% stake in Central China Real Estate Holdings Ltd (BVI), which in turn wholly owns Central China Real Estate (China) Co. Ltd. Central China Holdings Group has a strong market presence, operating in 16 out of the 18 cities in Henan Province. It has a current landbank of over 4.5 million square metres of gross floor area, in addition to a potential landbank of approximately 2.1 million square metres of gross floor area.

Mr Liew Mun Leong, President & CEO of CapitaLand Group, said: "This partnership marks our maiden entry into the central China region and we will be the first internationally-recognised developer to enter the Henan real estate market. Henan will be our fifth key operational node in China, after Beijing, Shanghai, Guangzhou and Chengdu. The partnership in central China is consistent with our strategy to move into China's inner, second-tier cities to provide affordable, quality housing. Having started this strategy successfully in Chengdu, we are now adopting it for Central China. However, such a move requires local knowledge of the province and experience. We are fortunate to forge the partnership with Central China Holdings Group, which is an established developer in Zhengzhou, the capital of Henan Province. This is in line with our ongoing strategy to establish local partnerships wherever possible."

Mr Hu Bao Sen, Chairman, Central China Holdings Group, said: "CapitaLand has built a strong track record in China's residential and commercial sectors. It is also a unique company offering an integrated real estate value chain, including real estate financial services. With an international partner like CapitaLand, we will continue to develop affordable housing for the people in Central China in particular Henan province. With 97 million residents as at the end of 2005, Henan is the most populous province in China. Over the past few years, rapid urbanisation has led to a strong demand for quality homes in Henan. Property prices remain affordable with the strong projected increase in disposable income and favourable economic environment. We are confident that the outlook of the Henan residential market will remain positive."

Over the past 12 years, CapitaLand has set up strategic operational platforms in the key gateway cities in Beijing, Shanghai, Guangzhou, Chengdu and now Zhengzhou. These platforms, with full management teams and comprehensive resource capabilities, are strong operational springboards for CapitaLand to expand its multi-sector capabilities in China's key growth areas in Bohai, Yangtze River Delta, Pearl River Delta, Southwest and Central China, anchored by the respective gateway cities.

About Henan Province

Henan Province is located in the central region of China with Zhengzhou as its provincial capital. It is the province with the largest registered population in China. As at end-2005, it is home to 97 million residents or 7.4% of China's population, despite a land area that is less than 2% of China's total land area. Current urbanization rate is 31% and this is expected to increase to 40% by 2010. This translates to a 10 million increase in its urban population in five years. Henan's GDP value is ranked 5th amongst the respective provinces in China, after Guangdong, Jiangsu, Zhejiang and Shandong.

About Central China Holdings Group (www.jianye.com.cn)

The company was founded in 1992 and the business activities were centered on residential development in Zhengzhou. In 2002, Central China Holdings Group embarked on a regional expansion strategy into other Henan cities. Today, the Group operates in 16 of the 18 Henan cities, and is actively looking for opportunities in the remaining two cities. In 2005, Central China Holdings Group's development gross floor area exceeded 1 million square metres.

Central China Holdings Group is focused on real estate development in the residential sector, mainly in the high-mid to high-end segments of the market. In order to improve the scalability of its operations and the speed in which its products are brought to the market, the company created product series which are easily replicated, through setting specific development guidelines to meet the needs of the respective market segments. Today, great emphasis is placed on product quality, customer relations and property management to further enhance its track record and brand position.

Central China Holdings Group plans to expand its operations across all 18 Henan cities, before extending its footprint into the neighbouring Central China provinces such as Hubei, Hunan, Shanxi, Anhui and Shaanxi.

About CapitaLand Limited (www.capitaland.com)

CapitaLand is one of the largest listed real estate 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 Pacific, Europe and the Middle East.

The company's property and hospitality portfolio spans more than 80 cities in nearly 20 countries. CapitaLand also leverages on its significant real estate asset base and market knowledge to develop real estate financial 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, Ascott Residence Trust and Australand, which is listed both in Singapore and Australia.

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