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NEWS RELEASE

CapitaLand receives foreign investment licence for its Vietnam residential project

Singapore, 25 September 2006 – CapitaLand has received the foreign investment licence from the Ministry of Planning and Investment of Vietnam for its residential development in An Phu Ward, Ho Chi Minh City. The company had entered into a conditional joint venture agreement in February this year to acquire and develop an approximately 23,000-square metre residential site in the city. CapitaLand will have an indirect majority stake of 80% in the joint venture. The remaining shareholders are Phu Gia Real Estate & Commercial Construction Co., Ltd (10%) and Thien Duc Trading-Construction Company Ltd (10%).

Mr Lui Chong Chee, CEO of CapitaLand Residential, said: "Vietnam's major cities, such as Ho Chi Minh City and Hanoi, have enjoyed robust economic growth over the past few years. This has spurred strong demand for well-designed and well-built homes, especially amongst a growing group of affluent young professionals. For this site, we will build a high-rise condominium for the mid to high-end segment of the market. The condominium will offer a comprehensive range of recreational facilities and lush landscaped gardens, setting it apart from other developments in the vicinity.

"The project will have an estimated 1,100 elegant homes tailored for both the local buyers, as well as expatriates working and residing in Ho Chi Minh City. The first phase, comprising about 300 homes, will be ready for launch by the first quarter of 2007. Buyers will have a choice of two-, three- and four-bedroom unit types."

The site is strategically located along the Hanoi Highway in the prime residential An Phu Ward in District 2. This is an exclusive residential area that is popular among well-heeled locals, and the expatriate community in Ho Chi Minh City. The site is near to social amenities, convenience shops including the Metro hypermarket, and the British International School.

The condominium will be designed by award-winning Singapore companies, namely architect RSP Architecture Planners & Engineers (Pte) Ltd and landscape architect Tierra Design (Singapore) Pte Ltd.

About CapitaLand Group (www.capitaland.com.sg)
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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