News Release

28 March 2007
For Immediate Release

CapitaLand's Malaysia Commercial Development Fund attracts strong interest of over 3 times upon closing

Fund upsized to US$270 million, backed by strong global investor demand

Malaysia's largest property fund to tap growing demand for commercial properties

Singapore, 28 March 2007 – CapitaLand, together with the Maybank Group (through its investment banking arm, Aseambankers Malaysia Berhad ("ASEAMBANKERS")) have secured an interest of 3.6 times (excluding sponsor stakes) and successfully closed Malaysia's largest private real estate fund, Malaysia Commercial Development Fund ("MCDF" or "the Fund"), at US$270 million (S$412.6 million). The final fund size was increased from the earlier target of US$250 million to US$270 million to cater to the strong investor demand. Subscribers of the Fund include international investors from Europe (26%), the Middle East (24%) and the USA (4%). CapitaCommercial Trust ("CCT"), an associate of CapitaLand which owns 30% of Quill Capita Trust ("QCT"), has subscribed for 7%. The remaining interest is retained by the two sponsors, CapitaLand Commercial and Integrated Development Limited ("CCID") (28%), a wholly-owned subsidiary of CapitaLand, and the Maybank Group (11%). Including the two sponsor stakes, total demand for the Fund amounted to US$625 million (S$955.1 million).

MCDF is CapitaLand's first and largest real estate fund in Malaysia with an expected gross development value of over US$1 billion (S$1.5 billion). It is a development fund which will invest in real estate development properties primarily in Kuala Lumpur and the Klang Valley. The Fund seeks to maximise total returns on capital by acquiring, developing, redeveloping and realising profits in commercial and integrated developments.

Mr Liew Mun Leong, President and CEO of CapitaLand Group, said, "We are very pleased that MCDF has received such positive endorsement from institutional investors globally. The Fund attracted interest of US$625 million which included a broad range of international investors from Europe, the Middle East, the USA and Asia. We decided to upsize the Fund and eventually, closed it at US$270 million. The strong take-up rate demonstrates investor confidence in our ability to establish an integrated commercial real estate and capital management platform in Malaysia following our successful track record in Singapore and China. In addition, these investors share our long-term view of the sustainable growth of Malaysia's economy and its real estate market. The successful closing of MCDF, following the listing of QCT on the Bursa Malaysia in January 2007, completes CapitaLand's commercial real estate value chain in Malaysia. The projects undertaken by MCDF, once completed and income-producing, will form yet another pipeline of opportunities for QCT to consider."

Mr Martin Tan, CEO of CCID, said, "We remain optimistic about the Malaysian commercial real estate sector, given the improved fundamentals as shown in improved occupancies, rents and capital values. MCDF will develop new prime commercial properties, to cater to the increasing demand for higher grade premises. The recent announcement to remove property gains tax in Malaysia provides an added boost to our efforts to tap foreign capital to co-invest with CapitaLand for such next generation developments in the country. The strong support for MCDF is a reflection of foreign investors' confidence in the Malaysian real estate market as well as in CapitaLand's execution capability - to deliver quality products to the market."

MCDF's seed investment is One Mont' Kiara, a mixed development comprising two office towers, a retail podium and car parks, on a site area of approximately 151,000 sq ft at an estimated project cost of RM360 million (S$157.1 million). Located in the heart of Klang Valley and within a 15-minute drive to either Petaling Jaya or downtown Kuala Lumpur, One Mont' Kiara is an established upper middle class residential area with a well established expatriate community. Works on the mixed development are expected to commence in April 2007 and to complete by the end of 2010.

Separately, and as previously announced, CCID would be acquiring two other development projects for injection into MCDF. Last year, CCID signed a Memorandum of Understanding with YNH Property Bhd to own and develop a landmark office cum retail centre on a prime freehold site at Jalan Sultan Ismail in Kuala Lumpur's Golden Triangle. In addition, CCID has entered into a joint venture with Malaysian Resources Corporation Berhad and Quill Group for a prime mixed development at Lot D within KL Sentral, an exclusive urban centre built around Malaysia's largest transit hub. The Lot D development is another mixed development which will include a serviced apartment component.

About CapitaLand Group (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 real estate, hospitality and real estate financial services are focused in gateway cities in Asia Pacific, Europe and the Middle East.

The company's real estate and hospitality portfolio spans more than 90 cities in over 20 countries. CapitaLand also leverages on its significant real estate asset base, financial skills 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, CapitaMall Trust, CapitaCommercial Trust, Ascott Residence Trust, CapitaRetail China Trust, Quill Capita Trust and Australand.

In Malaysia, CapitaLand has a 30% stake in Menara Citibank, a prime 50-storey office tower in Kuala Lumpur's Golden Triangle, and a joint venture with Quill Group where CapitaLand takes a 40% stake to develop a plot of land in KL Sentral into a premier office building. In addition, CapitaLand has a 40% stake in Quill Capita Management Sdn Bhd, the manager of QCT, CapitaLand's first REIT listed outside of Singapore, on the Main Board of the Bursa Malaysia Securities Berhad. CCT, CapitaLand's first commercial REIT in Singapore, holds a 30% stake in QCT.

About ASEAMBANKERS (www.aseam.com.my)

ASEAMBANKERS is the investment banking arm of Maybank Group, and one of the leading investment banks in Malaysia. Among its many accolades include Euromoney Award For Excellence as the Best Mergers & Acquisition House in Malaysia in 2006, the Sheikh Mohammed Bin Rashid Al Maktoum Islamic Finance Award for Regional Continuing Contribution to Islamic Finance – Research & Development (Asia) in 2005, several RAM League Awards in 2006 for being among the top three banks with the best deal and issue value in Malaysia and the Deal Of The Year awarded by The Banker in 2005 in respect of the issue of RM1.0 billion of Islamic Subordinated Bonds.

ASEAMBANKERS will act as the Principal Advisor to the fund manager, providing advisory services on Malaysian capital market and funding issues.

Issued by CapitaLand Limited (Regn. No.: 198900036N)
28 March 2007

Media Contact
Julie Ong
Corporate Communications
Mobile : (65) 97340122
Email : julie.ong@capitaland.com.sg

Analyst Contact
Harold Woo
Investor Relations
DID : (65) 68233210
Email : harold.woo@capitaland.com.sg