For immediate release
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NEWS RELEASE

CapitaLand achieves highest conversion premium at 72% for its 2.95%, S$1 billion convertible bond issue

Largest convertible bond issue in Singapore
Longest tenure in Asia ex-Japan with 15 year maturity

Singapore, 25 May 2007 – CapitaLand Limited ("CapitaLand") is pleased to announce the pricing of its proposed issue of unsecured convertible bonds ("Bonds").

The issue size of S$1 billion is the largest ever in Singapore. With a 15 year final maturity and 72% conversion premium, the Bonds are the longest dated and highest conversion premium unsecured convertible bonds issued in Asia ex-Japan.

The Bonds are convertible into new CapitaLand ordinary shares at a conversion price of S$13.8871 per new share. The Singapore Dollar denominated Bonds will bear a coupon rate of 2.95% per annum, payable semi annually.

An application will be made to the Singapore Exchange Securities Trading Limited (SGX-ST) for the listing of the convertible bonds and the shares arising from the conversion of the convertible bonds.

J.P. Morgan (S.E.A.) Limited (“JPMorgan”) was the sole bookrunner and lead manager for the issue, which will be placed with institutional and sophisticated investors.

CapitaLand expects to use the net proceeds to finance new investments, refinance its existing borrowings, and for working capital. Earlier in 2002, the company issued a S$380 million convertible bond, the first major Singapore dollar-denominated convertible bond. Last year, CapitaLand issued a second convertible bond, a S$430 million 10 year convertible bond, which was described as “Singapore’s Equity Deal of the Year”, by an international financial publication.

Mr Liew Mun Leong, President & CEO, CapitaLand Group, said, “This is our third successful convertible bond issue which is more than double our previous bond issue and achieving a much higher conversion premium. It reflects the strong confidence in our expansion plans and execution capabilities in Singapore and abroad. To date, we have been combining our real estate domain knowledge with financial skills to not only re-shape our own balance sheet but also to launch unique and innovative real estate based financial products and services. This issuance strengthens our financial footing even more as we continue to expand our business across multi-sectors and multi-geographies.”

Mr Olivier Lim, Group Chief Financial Officer, CapitaLand Limited said, “We are delighted with the strong response from investors and the excellent terms achieved. The Bonds have been priced in a firm market environment and at a time where the Singapore dollar yield curve has improved recently for long tenors. We are pleased to secure sizeable and unusually long-term funding for our core debt requirements at very tight overall pricing. This transaction improves our debt maturity profile and capital structure further, in line with our capital management objectives.”

Summary of Convertible Bond Terms

Launch size:	S$1,000 million
Reference share price:	S$8.0739[1]
Conversion premium:	72%
Initial conversion price:	S$13.8871
Coupon/Yield to Maturity:	2.95%
Maturity Date:	20th June, 2022
Investor put option:	20th June, 2017 (at end of year 10) & 20th June, 2019 (at end of year 12)

Issued by: **CapitaLand Limited** *(Co. Regn: 198900036N)*
Date: **25 May 2007**

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[1] Volume weighted average price of 25th May 2007