



CAPITALAND LIMITED

(Incorporated in the Republic of Singapore)
Company Registration No.: 198900036N

ANNOUNCEMENT

SALE OF THE ASCOTT MAYFAIR, LONDON

Further to the announcement made by The Ascott Group Limited ("TAG") on 12 May 2006 in relation to the sale of The Ascott Mayfair, London by its wholly-owned subsidiary, Greenpark Investments (Guernsey) Limited, to an unrelated party for a total cash consideration of £65.8 million (approximately S\$190.8 million) (the "Proposed Divestment"), CapitaLand Limited ("CapitaLand") wishes to announce that it is expected to recognise a gain of approximately S\$52.7 million on completion of the Proposed Divestment.

CapitaLand (through its subsidiaries) currently has a deemed interest of approximately 67.3% of the issued share capital of TAG.

Based on the audited consolidated financial statements of CapitaLand for the financial year ended 31 December 2005:

- (i) assuming that the Proposed Divestment was effected on 1 January 2005, CapitaLand's earnings per share would have increased from 28.3 cents to 30.3 cents for the year ended 31 December 2005; and
- (ii) assuming that the Proposed Divestment was effected on 31 December 2005, the financial impact on CapitaLand's net tangible assets per share would not be material.

By Order of the Board

Ng Chooi Peng
Assistant Company Secretary
15 May 2006