



CAPITALAND LIMITED

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

ANNOUNCEMENT

SALE OF SHARES IN CITADINES GARDEN CITY (BVI) LIMITED

CapitaLand Limited ("CapitaLand") wishes to announce that its indirect wholly-owned subsidiary, Ascott Holding (China) Limited ("AHCL"), has entered into an agreement to sell its entire 100% stake (comprising one ordinary share of US\$1) (the "Sale Share") in the share capital of Citadines Garden City (BVI) Limited ("Citadines GC BVI") to Ascott Serviced Residence (China) Fund ("Ascott China Fund") (the "Sale"). CapitaLand has a 33% indirect interest in Ascott China Fund.

Citadines GC BVI, through its wholly-owned subsidiaries, Citadines Garden City (Hong Kong) Limited ("Citadines GC HK") and Citadines Garden City Shenzhen Property Co., Ltd. ("Citadines GC SZ"), owns the residential buildings located at Tower 20, Phase III, No. 8 Industry Road, Shekou Garden City, Nanshan District, Shenzhen, PRC (the "Property"). Upon completion of the Sale, the Property will be operated as a "Somerset" serviced residence and managed by Ascott Property Management (Shanghai) Co., Ltd., an indirect wholly-owned subsidiary of CapitaLand.

The aggregate consideration for the Sale Share (the "Consideration") of US\$24.98 million (approximately S\$34.17 million) comprises (1) cash of approximately US\$3.43 million (approximately S\$4.69 million) and (2) assignment of loan of US\$21.55 million (approximately S\$29.48 million) owed by Citadines GC HK to AHCL (the "Loan"). The Consideration was arrived at on a willing-buyer willing-seller basis, taking into account, amongst other factors, the net asset value of Citadines GC BVI, the agreed value of the Property at RMB259.5 million (approximately S\$51.15 million) and the assignment of the Loan. The net asset value of Citadines GC BVI based on its management accounts as of 30 April 2008 was US\$1.89 million (approximately S\$2.59 million).

The completion of the Sale is expected to take place in September 2008 or such other date mutually agreed by the parties and is subject to, inter alia, satisfactory due diligence and necessary approvals and consents to be obtained (the "Completion"). The Consideration is subject to a post-completion adjustment as at the date of Completion taking into account the net asset value of Citadines GC BVI at the date of Completion.

Upon Completion, Citadines GC BVI, Citadines GC HK and Citadines GC SZ will cease to be indirect subsidiaries of CapitaLand.

The above transaction is not expected to have any material impact on the net tangible assets or earnings per share of the CapitaLand Group for the financial year ending 31 December 2008.

None of the Directors or the controlling shareholder of CapitaLand has any interest, direct or indirect, in the above transaction.

By Order of the Board

Low Sai Choy
Company Secretary
20 June 2008