



CAPITALAND LIMITED

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

ANNOUNCEMENT

SALE OF 50% STAKE IN BEIJING RED DIAMOND SCIENCE & TECHNOLOGY DEVELOPMENT CO., LTD.

CapitaLand Limited ("CapitaLand") wishes to announce that its indirect wholly-owned subsidiary, CapitaLand Commercial (Barbados) Limited, has sold 50% of its stake (representing registered capital of RMB25.0 million (approximately S\$5.4 million)) (the "Sale Stake") in Beijing Red Diamond Science & Technology Development Co., Ltd. ("Beijing Red Diamond") to CITIC Trust Co. Ltd., a party unrelated to CapitaLand (the "Sale").

Beijing Red Diamond owns an office building known as IBM China Centre (formerly known as Red Diamond Plaza), located in Beijing.

The cash consideration (the "Consideration") for the Sale Stake is RMB62.3 million (approximately S\$13.4 million). The Consideration was arrived at on a willing-buyer willing-seller basis, taking into account, among other factors, the market value of the property at RMB177.8 million (approximately S\$38.3 million) and the net tangible assets of the Sale Stake of RMB54.2 million (approximately S\$11.7 million) based on the management accounts as at 31 May 2008.

Following the Sale, CapitaLand's interest in Beijing Red Diamond is reduced to 50%. Beijing Red Diamond has ceased to be an indirect wholly-owned subsidiary and has become an indirect associated company of CapitaLand.

The Sale is not expected to have any material impact on the net tangible assets or earnings per share of 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
5 November 2008