CAPITALAND LIMITED

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

ANNOUNCEMENT

SALE OF SHARES IN MING ZHU INVESTMENTS (BVI) LIMITED

CapitaLand Limited ("CapitaLand") wishes to announce that its indirect wholly-owned subsidiary, Ascott Holding (China) Limited ("AHCL"), has entered into a sale and purchase agreement (the "SPA") to sell its entire 100% stake (comprising one ordinary share of US$1) in the share capital of Ming Zhu Investments (BVI) Limited ("MZ BVI") to Ascott Serviced Residence (China) Fund ("Ascott China Fund") (the "Sale"). CapitaLand has a 33% indirect interest in Ascott China Fund.

MZ BVI, through its wholly-owned subsidiaries, Ming Zhu Investments (Hong Kong) Limited ("MZ HK") and Citadines Ming Zhu (Chongqing) Property Co., Ltd. ("MZ CQ"), owns the units located on the 7th to 22nd floors of the building located at No. 108 Minzu Road, Block B Hejing Building, Yuzhong District, Chongqing, the PRC (the "Property"). The Property is currently being renovated. Upon completion of the renovation, 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 cash consideration for the Sale (the "Consideration") is US$15.5 million (approximately S$22.8 million), subject to post-completion adjustment. The Consideration was arrived at on a willing-buyer willing-seller basis, taking into account, amongst other factors:

(a) the adjusted revalued net asset value of MZ BVI of approximately US$2.3 million (approximately S$3.3 million), which has taken into consideration the open market valuation of the Property by Knight Frank Petty Limited (commissioned by AHCL) at RMB135.5 million (approximately S$29.2 million) as at 1 October 2008; and

(b) the assignment to Ascott China Fund of a loan of US$13.3 million (approximately S$19.5 million) which is owing from MZ BVI to AHCL.

In accordance with the terms of the SPA, 30% of the Consideration has been paid by Ascott China Fund as deposit upon execution of the SPA. The balance 70% of the Consideration will be paid upon the completion of the Sale.

The completion of the Sale is expected to take place by end of 2008 and is subject to, inter alia, satisfactory due diligence and necessary approvals and consents to be obtained (the "Completion"). Upon Completion, MZ BVI, MZ HK and MZ CQ will cease to be indirect subsidiaries of CapitaLand.

The Sale 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 Sale.

By Order of the Board

Low Sai Choy
Company Secretary
21 November 2008