CAPITALAND LIMITED

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

ANNOUNCEMENT

SUBSCRIPTION OF EQUITY SHARES IN RATTHA SOMERSET GREENWAYS (CHENNAI) PRIVATE LIMITED

CapitaLand Limited ("**CapitaLand**") wishes to announce that its indirect wholly-owned subsidiary, Ascott (Mauritius) Company Limited ("**Ascott Mauritius**") has entered into a share subscription agreement pursuant to which, Ascott Mauritius will subscribe for 684,523 new equity shares of INR672 each (approximately S$19.97) (the "**Subscription**") in Rattha Somerset Greenways (Chennai) Private Limited ("**Rattha Somerset Greenways**"), a joint venture company incorporated in India for the development of the serviced residence to be known as Somerset Greenways, Chennai.

The Subscription is by way of an allotment and issue of 684,523 new equity shares for a total cash consideration of approximately INR460 million (approximately S$13.67 million) (the "**Consideration**") which will be made in two phases as follows:

(i) First phase subscription of 505,952 shares, the completion of which is subject to the fulfilment of conditions precedent and is expected to take place by 31 December 2009 ("**Phase 1 Subscription**"); and

(ii) Second phase subscription of 178,571 shares, the completion of which is expected to take place by the end of the first quarter of Year 2010 ("**Phase 2 Subscription**").

The Consideration was arrived at on a willing-buyer willing-seller basis, taking into account, amongst other factors, the net asset value of Rattha Somerset Greenways of INR788 million (approximately S$23.42 million) as at 30 November 2009.

Ascott International Management Pte Ltd, another of CapitaLand's indirect wholly-owned subsidiary, has an existing 40% interest in Rattha Somerset Greenways. Following the Phase 1 and Phase 2 Subscriptions, CapitaLand's interest in Rattha Somerset Greenways will be increased from 40% to 60.16% and 64.38%, respectively. Rattha Somerset Greenways will cease to be an associated company and become an indirect subsidiary of CapitaLand upon completion of the Phase 1 Subscription.

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 2009.

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
14 December 2009