



CAPITALAND LIMITED

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

ANNOUNCEMENT

SALE OF STAKE IN CITADINES LEJIA (S) PTE. LTD.

CapitaLand wishes to announce that TAHL has entered into a conditional sale and purchase agreement (the “**Agreement**”) to sell its entire 100% stake in Citadines Lejia to Goldwheel Creation (the “**Divestment**”).

Citadines Lejia, through its 30%-owned associated company, Suzhou Jiale owns the property located at Lot 74037 West, Xin Hu Street, Suzhou Industrial Zone, Suzhou, the People’s Republic of China (the “**Property**”).

The aggregate cash consideration for the Divestment (the “**Consideration**”) is RMB19.5 million (approximately S\$4.3 million). The Consideration was arrived at on a willing-buyer willing-seller basis, taking into account, amongst other factors:

- (a) the adjusted net tangible asset of Citadines Lejia of approximately S\$0.1 million, which has taken into consideration, the independent valuation of the Property (conducted by GVA Curzon Partners and commissioned by TAHL) at RMB90 million (approximately S\$19.8 million) as at 15 May 2009; and
- (b) the loan of S\$3.9 million owing by Citadines Lejia to TAHL to be repaid by Goldwheel Creation.

Pursuant to the Agreement, 30% of the Consideration has been paid by Goldwheel Creation as deposit following the execution of the Agreement. The balance 70% of the Consideration will be paid upon completion of the Divestment.

Completion of the Divestment (the “**Completion**”) is expected to take place by June 2009 subject to the fulfilment or waiver of conditions precedent under the Agreement. Upon Completion, Citadines Lejia and Suzhou Jiale will cease to be an indirect subsidiary and associated company of CapitaLand, respectively.

The Divestment 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 Divestment.

Definitions:

CapitaLand	CapitaLand Limited
Citadines Lejia	Citadines Lejia (S) Pte. Ltd., an indirect wholly-owned subsidiary of CapitaLand
Goldwheel Creation	Goldwheel Creation Limited, a party unrelated to CapitaLand
Suzhou Jiale	Suzhou Jiale Real Estate Co., Ltd., an indirect associated company of CapitaLand incorporated in the People's Republic of China
TAHL	The Ascott Holdings Limited, an indirect wholly-owned subsidiary of CapitaLand

By Order of the Board

Low Sai Choy
Company Secretary
27 May 2009