CAPITALAND LIMITED

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

ANNOUNCEMENT

SALE OF KALLANG AVENUE INDUSTRIAL CENTRE AND KALLANG BAHRU COMPLEX

CapitaLand Limited (“**CapitaLand**”) wishes to announce that its indirect wholly-owned subsidiaries, KAIC Pte Ltd (“**KAIC**”) and KBC Pte Ltd (“**KBC**”) have entered into a sale and purchase agreement (“**SPA**”) with Chiu Teng @ Kallang Pte. Ltd. (“**Purchaser**”), a party unrelated to CapitaLand. Pursuant to the SPA, KAIC and KBC will sell (the “**Sale**”) to the Purchaser their respective assets, the description of which are as follows:

(i) Lot 2500N of Town Subdivision 17 together with the building(s) erected thereon and known as Kallang Avenue Industrial Centre (the "**KAIC Property**"); and

(ii) Lot 1338M of Town Subdivision 17, together with the building erected thereon and known as Kallang Bahru Complex (the "**KBC Property**").

The total cash consideration of S$68.0 million (“**Consideration**”) for the Sale was arrived at on a willing-buyer and willing-seller basis.

The book value of each of the KAIC Property and the KBC Property as at 30 September 2009 was S$19.4 million and S$28.9 million, respectively.

The Purchaser has, upon the execution of the SPA, paid a cash deposit in the sum of S$6.8 million, being 10% of the Consideration. The balance 90% of the Consideration will be paid upon the completion of the Sale which is expected to be in December 2009 (“**Completion**”).

Upon Completion, CapitaLand is expected to recognise a gain of approximately S$19.2 million.

Based on the unaudited consolidated financial statements of CapitaLand for the 9 months ended 30 September 2009:

(1) assuming that the Sale was effected on 1 January 2009, CapitaLand's earnings per share would have increased from 4.1 cents to 4.5 cents; and

(2) assuming that the Sale was effected on 30 September 2009, the financial impact on CapitaLand's net tangible assets per share would not be material.

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
4 November 2009