CAPITALAND LIMITED

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

ANNOUNCEMENT

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(1) UPSIZING OF RAFFLES CITY CHINA FUND LIMITED
(2) INJECTION OF RAFFLES CITY NINGBO

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1. Upsizing of Raffles City China Fund Limited

CapitaLand Limited ("**CapitaLand**") wishes to announce that Raffles City China Fund Limited (the "**Fund**") has today raised additional US$180 million (approximately S$252 million) in committed capital increasing the Fund's current capital of US$1 billion (approximately S$1.4 billion) to US$1.18 billion (approximately S$1.65 billion).

CapitaLand China (RCCF) Holdings Limited ("**CCRHL**") and CMA RCCF Investment (BVI) Limited ("**CMA RCCF**") have agreed to subscribe for (the "**Subscriptions**") US$72 million (approximately S$101 million) and US$27 million (approximately S$38 million) of 7,200[1] and 2,700 redeemable preference shares ("**RPS**") at US$10,000 each, respectively, in the Fund. CCRHL is a wholly-owned subsidiary of CapitaLand. CMA RCCF is a wholly-owned subsidiary of CapitaMalls Asia Limited which is 65.5% owned by CapitaLand.

Prior to the Subscriptions, CapitaLand had an effective interest of 44.8% in the Fund with CCRHL and CMA RCCF holding 35% and 15% interests respectively. Upon the Subscriptions and allotment by the Fund in full of the RPS to the investors[2] (the "**Allotment**"), CapitaLand's effective interest in the Fund will increase to 45.6%. The Fund will remain an associated company of CapitaLand.

The Fund has the option of one or more subsequent closings, with the final closing to take place by the end of the term of the Fund, which could increase the fund size to US$1.5 billion (approximately S$2.1 billion).

[1] *This includes 900 RPS which an existing investor of the Fund (a party unrelated to CapitaLand) did not subscribe for in this capital raising exercise. The said investor has a right to acquire the same by 30 June 2010.*

[2] *Excludes the investor referred to in Footnote 1 above.*

2. Injection of Raffles City Ningbo

CapitaLand's strategy is to rationalise the holding of its Raffles City-brand integrated developments in China through the Fund, which had been established with an investment focus on Raffles City-brand projects.

In line with this strategy, CapitaLand China CCDF (Cayman) Holdings Co., Ltd. ("**CCDF (Cayman)**") and CapitaLand China Development Fund Pte. Ltd. ("**CCDF**") agreed to transfer (the "**Transfers**") to the Fund's wholly-owned subsidiary, RCCF Ningbo Limited (the "**Fund Subsidiary**") their respective 100% interest in Fairfield Place Pte. Ltd. ("**Fairfield**") and CapitaLand Ningbo (Commercial) Holdings Pte. Ltd. ("**CapitaLand Ningbo**"). CCDF (Cayman) is a wholly-owned subsidiary of CapitaLand. CCDF is a 37.5% owned associated company of CapitaLand. Each of Fairfield and CapitaLand Ningbo has an interest of 20% and 80% respectively in Ningbo Xin Yin Property Development Co., Ltd. (the "**PRC Project Company**") which owns Raffles City Ningbo.

Raffles City Ningbo is currently under construction and it will be a mixed development comprising office, retail and serviced residence components in China. It is situated close to the heart of Ningbo at San Jiang Kou, a prime location surrounded by commercial and public facilities.

The aggregate cash consideration for the Transfers of approximately US$125 million (approximately S$175 million), subject to post-completion adjustments, was arrived at on a willing-buyer and willing-seller basis and comprises the following:

(a) US$100 million (approximately S$140 million), comprising, *inter alia*, the consolidated net asset value of CapitaLand Ningbo as at 31 December 2009, which takes into account, among other factors, the agreed land value of the Raffles City Ningbo site at RMB764 million (approximately S$157 million). This reflects the appraised land value of Raffles City Ningbo being the valuation undertaken by an independent valuer commissioned by the PRC Project Company. It also includes the assignment of the shareholder's loan outstanding as of the date of completion of approximately US$65 million (approximately S$91 million); and

(b) US$25 million (approximately S$35 million), comprising, *inter alia*, the net asset value of Fairfield and 20% of the net asset value of the PRC Project Company as at 31 December 2009, which takes into account, among other factors, the agreed land value of the Raffles City Ningbo site at RMB764 million (approximately S$157 million). This reflects the appraised land value of Raffles City Ningbo being the valuation undertaken by an independent valuer commissioned by the PRC Project Company. It also includes the assignment of the shareholder's loan outstanding as of the date of completion of approximately US$17 million (approximately S$24 million).

The completion for the Transfers is expected to take place in the second quarter of 2010 (the "**Completion**"). Upon the Completion and Allotment, CapitaLand's effective interest in Fairfield, CapitaLand Ningbo and PRC Project Company will be 45.6% and they have become or remain as associated companies of CapitaLand.

3. Financial Effects

The Subscriptions and Transfers are 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 2010.

4. Interests of Directors and Controlling Shareholder

None of the Directors or the controlling shareholder of CapitaLand has any interest, direct or indirect, in the Subscriptions and Transfers.

By Order of the Board

Low Sai Choy
Company Secretary
22 April 2010