CAPITAMALLS ASIA LIMITED

Regn. No.: 200413169H
(Incorporated in the Republic of Singapore)

ANNOUNCEMENT

CAPITAMALLS ASIA TO INVEST IN PRIME SHOPPING MALL AND OFFICE DEVELOPMENT IN SHANGHAI

CMA wishes to announce that its wholly-owned subsidiary, **Cressida**, has on 6 November 2010 entered into a conditional agreement with **Beatles Holding**, a party unrelated to **CMA**, to obtain an effective 66% interest in the development of the **Property** through their joint venture in **Abbey Road.**

Abbey Road is a company incorporated in the Cayman Islands and is, as at the date of this announcement, wholly-owned by **Beatles Holding**. **Abbey Road** owns the entire equity interests in **Sky Vision**, a company incorporated in Hong Kong, which in turn holds 96% of the equity interests in **Shanghai Yongwei**, a company incorporated in the People's Republic of China which owns the **Property.**

The **Property** will be developed into a shopping mall and office tower. A separate press release on the details of the **Property** has been issued by **CMA.**

The total development cost of the project is projected to be approximately **RMB**3.86 billion (**S$**747.2 million), or around **RMB**30,400 (**S$**5,885) per **sq m** of **GFA**, including land costs.

Details of the **Proposed Investment** are as follows:

Overall	A prime development comprising a planned six-storey shopping mall and a 31-storey office tower
Tenure	50 years
Estimated year of completion	2015
Site area (approximate)	24,000 **sq m**
Total **GFA** excluding car park (approximate)	127,000 **sq m** (50% retail, 50% office)
Total development cost (estimated)	**RMB**3.86 billion (**S$**747.2 million)
Cost per **sq m** – **GFA**	**RMB**30,400 (**S$**5,885)

Upon completion of the **Proposed Investment**, **Abbey Road**, **Sky Vision** and **Shanghai Yongwei** will become subsidiaries of **CMA**.

CMA will invest approximately **RMB**1.45 billion (or **S$**281.0 million[1]) for its stake in **Abbey Road Group**, which amount was arrived at on a willing-buyer willing-seller basis, taking into account the valuation of the **Property** among other factors, and which amount is subject to post-completion adjustment. The **Proposed Investment** will be funded by a combination of debt and equity. The latest valuation of the **Property** as at 10 September 2010, commissioned by **CMA** and conducted by DTZ Debenham Tie Leung, is **RMB**2.28 billion (based on existing land condition).

The **Proposed Investment** is not expected to have any material impact on the consolidated net tangible assets and earnings per share of **CMA** for the financial year ending 31 December 2010.

[1] Based on an exchange rate of RMB 1: S$0.19358.

None of the directors of **CMA**, and to the best of the directors' knowledge, none of the controlling shareholders of **CMA** has any interest, direct or indirect, in the **Proposed Investment**.

By Order of the Board

Kannan Malini
Company Secretary
8 November 2010

Definitions:

Abbey Road	Abbey Road Limited
Abbey Road Group	The Abbey Road group of companies comprising Abbey Road, Sky Vision and Shanghai Yongwei
Beatles Holding	Beatles Holding Limited
CMA	CapitaMalls Asia Limited
Cressida	Cressida Enterprises Limited
GFA	Gross floor area
Property	The land parcel of approximately 24,000 square metres located at the junction of Xujiahui Road and Ma Dang Road in Luwan District, Shanghai, People's Republic of China
Proposed Investment	The proposed investment of the Property pursuant to the conditional agreement dated 6 November 2010 between Cressida and Beatles Holding
Shanghai Yongwei	Shanghai Yongwei Real Estate Company Limited
Sky Vision	Sky Vision (Hong Kong) Limited
sq m	Square metres
<u>Currencies</u>	
RMB	Renminbi
S$	Singapore dollars