CAPITALAND LIMITED

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

ANNOUNCEMENT

CHANGE OF INTEREST AND INCREASE IN CAPITAL OF BEIJING RISING HARMONY REAL ESTATE DEVELOPMENT CO., LTD.

CapitaLand Limited ("**CapitaLand**") wishes to announce the transfer of its 5% interest (representing registered capital of RMB25 million) (the "**Interest**") in Beijing Rising Harmony Real Estate Development Co., Ltd. ("**BRH**") from Beijing CapitaLand Property Management Co., Ltd. ("**BCL**") to Fernwood Investments Pte. Ltd. ("**Fernwood**") (the "**Share Transfer**"). The cash consideration for the Share Transfer is RMB25 million (approximately S$5 million) (the "**Consideration**"). BRH, a company incorporated in China, owns a site in Changping District, Beijing planned for development into a low-density residential project with gross floor area of approximately 258,000 square metres.

The Consideration, which was arrived at on a willing-buyer willing-seller basis, represents the 5% registered capital of BRH. Based on the management accounts of BRH as at 30 June 2011, the net asset value of the Interest was RMB32 million (approximately S$6 million).

Prior to the Share Transfer, BRH was 95% owned by CapitaLand (Tianjin) Co., Ltd ("**CLT**") and 5% owned by BCL. CLT is an 80% owned subsidiary of CapitaLand. BCL is a wholly-owned subsidiary of CapitaLand. CapitaLand's effective interest in BRH was 81%.

Following the Share Transfer, BRH became 95% owned by CLT and 5% owned by Fernwood. Fernwood is an 80% owned subsidiary of CapitaLand. CapitaLand's effective interest in BRH was therefore reduced from 81% to 80%.

Further to the Share Transfer, Fernwood has injected an additional RMB168 million (approximately S$31 million) into BRH. As a result, the registered capital of BRH has increased from RMB500 million (approximately S$93 million) to RMB668 million (approximately S$125 million) (the "**Share Increase**"). Following the Share Increase, BRH becomes 71% owned by CLT and 29% owned by Fernwood. CapitaLand's effective interest in BRH remains unchanged at 80%.

Both the Share Transfer and the Share Increase are part of a restructuring exercise for efficient capital management.

Both the Share Transfer and the Share Increase 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 2011.

None of the Directors or the controlling shareholder of CapitaLand has any interest, direct or indirect, in both the Share Transfer and the Share Increase.

By Order of the Board

Low Sai Choy
Company Secretary
2 August 2011