CAPITALAND LIMITED

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

ANNOUNCEMENT

ACQUISITION OF ADDITIONAL INTEREST IN RAFFLES CITY SHENZHEN

CapitaLand Limited ("**CapitaLand**") wishes to announce the acquisition (the "**Acquisition**") of an additional effective interest of 14.7% in Raffles City Shenzhen site (the "**Property**") for an aggregate cash consideration of RMB531.7 million (approximately S$99.3 million) (the "**Consideration**"). The Acquisition is part of CapitaLand's ongoing business development and is in line with CapitaLand's strategy to further strengthen its presence in the People's Republic of China. The Acquisition was completed today.

The Acquisition is done through CapitaLand's wholly-owned subsidiary, CapitaLand LF (Cayman) Holdings Co., Ltd ("**CLCayman**") which has today signed a Sale and Purchase Agreement with CapitaLand AIF Limited (a 44.44% owned associated company of CapitaLand) and Gainfield Holdings Limited (a party unrelated to CapitaLand) (collectively the "**Vendors**"), to acquire the Vendors' respective 25% and 6.25% interests (the "**Acquired Interests**") in Keisha Limited ("**Keisha**") in which CLCayman has an existing interest of 68.75%.

Keisha, a company incorporated in the Cayman Islands has an interest of 73% in the Property. The remaining 27% interest in the Property is held by a party unrelated to CapitaLand. The Property is located in the commercial district of Shenzhen City Nanshan District. The Property is an integrated development that will comprise a Grade A office tower, a shopping mall, and a serviced residence component.

The Consideration was arrived at on a willing-buyer and willing-seller basis and comprises:

(a) RMB156.7 million (approximately S$29.3 million), after taking into account, *inter-alia,* the agreed value of the Property at RMB2,375 million (approximately S$443.7 million); and

(b) assignment of the shareholders' loans of RMB375 million (approximately S$70 million) owing by Keisha to the Vendors.

Based on the consolidated management accounts of Keisha as at 30 June 2011, the net tangible assets of the Acquired Interests is approximately S$43.9 million.

Following the Acquisition, Keisha has become an indirect wholly-owned subsidiary of CapitaLand. CapitaLand's effective interest in the Property has increased from 58.3% to 73%.

The Acquisition 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 2011.

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

By Order of the Board

Low Sai Choy
Company Secretary
11 August 2011