CAPITALAND LIMITED

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

ANNOUNCEMENT

SALE OF CAPITALAND'S ENTIRE 100% STAKE IN SHANGHAI CAPITALAND XIN CHUANG REAL ESTATE DEVELOPMENT CO., LTD.

CapitaLand Limited ("**CapitaLand**") wishes to announce the sale (the "**Sale**") of its entire 100% stake (the "**Sale Stake**") in Shanghai CapitaLand Xin Chuang Real Estate Development Co., Ltd. ("**SCXC**") for a cash consideration of RMB852 million (approximately S$173 million) (the "**Consideration**"). SCXC owns a plot of land at 313 West Guangzhong Road in Zhabei District, Shanghai, the People's Republic of China ("**PRC**") (the "**Property**"). The Property which is currently under development has a total gross floor area of approximately 71,613 square metres. The Sale is made as part of CapitaLand Group's ongoing strategy of capital productivity.

The Sale is made by CapitaLand through its wholly-owned subsidiary, Yorksure Pte. Ltd. ("**YPL**") which has entered into a sale and purchase agreement (the "**SPA**") with an unrelated third party. YPL owns 100% of SCXC's registered capital representing US$82.5 million (approximately S$106.7 million). The sole asset of SCXC is the Property.

The Consideration was arrived at on a willing-buyer and willing-seller basis, taking into account, amongst other factors, the agreed value of the Property at RMB893 million (approximately S$182 million). CapitaLand's carrying value of the Sale Stake based on the management accounts of SCXC as of 31 October 2011 was RMB600 million (approximately S$122 million).

The completion of the Sale is subject to the approval from the governmental authorities of the PRC and is expected to take place by first quarter 2012 (the "**Completion**"). The initial 10% of the Consideration has been paid following the signing of the SPA. The next 30% of the Consideration will be paid within two days upon signing of the SPA and the balance 60% will be paid on Completion. Upon Completion, SCXC will cease to be a wholly-owned subsidiary of CapitaLand.

Upon Completion, CapitaLand is expected to recognise a net gain of approximately S$40 million. Based on the unaudited consolidated financial statements of CapitaLand Group for the nine months ended 30 September 2011:

(1) assuming that the Sale was effected on 1 January 2011, CapitaLand's earning per share would have increased from 13.6 cents to 14.5 cents; and

(2) assuming that the Sale was effected on 30 September 2011, the financial impact on CapitaLand's net tangible asset 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
6 December 2011