CAPITALAND LIMITED

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

ANNOUNCEMENT

CHANGE OF INTEREST IN LFIE HOLDING LIMITED

CapitaLand Limited ("**CapitaLand**") wishes to announce that its wholly-owned subsidiary, CapitaLand China CCDF (Cayman) Holdings Co., Ltd ("**CCDF Cayman**") has entered into a Sale and Purchase Agreement (the "**Agreement"**) with a party unrelated to CapitaLand (the "**Vendor**") to acquire from the Vendor an additional 39.27% stake (the "**Acquired Stake**") of 83,232,707 "A" shares of HK$1 each ("**A Shares**") in LFIE Holding Limited ("**LFIE**") (the "**Acquisition**"). Prior to the Acquisition, CCDF Cayman held a 6.95% stake of 14,726,837 A Shares in LFIE.

LFIE is an investment holding company incorporated in the British Virgin Islands. Its capital comprises 211,966,695 A Shares and 11,500,000 "B" shares of HK$1 each ("**B Shares**"). LFIE owns an indirect 100% stake each in Guangzhou LFIE Real Estate Ltd and Guangzhou LFIE DistriCenter Ltd (the "**Project Companies**") incorporated in the People's Republic of China ("**PRC**"). The Project Companies own land measuring approximately 575,787 square metres (the "**Land**") in Panyu District, Guangzhou, PRC. The Land is partly occupied by a logistics distribution centre with warehouse buildings and will be redeveloped into mid to high-mid residential units.

The Acquisition is part of CapitaLand's ongoing business development in PRC and is in line with CapitaLand's strategy to further strengthen its presence in PRC.

The consideration for the Acquisition of HK$762,411,596 (approximately S$125 million) (the "**Consideration**") which is the proforma net tangible asset of the Acquired Stake in LFIE as at 30 April 2010, was arrived at on a willing-buyer and willing-seller basis, taking into account, among other factors, the appraised value of the Land of RMB2.87 billion (approximately S$559 million), being the valuation undertaken by an independent valuer commissioned by LFIE in May 2010.

The Consideration will be satisfied wholly in cash and is payable by CCDF Cayman on completion which is expected to take place in the first quarter of 2011 (the "**Completion**"). Upon Completion, LFIE and the Project Companies will become 46.21% associated companies of CapitaLand.

Pursuant to the Agreement, LFIE will upon 30 business days after the Completion redeem and cancel the entire 11,500,000 B Shares in LFIE held by the Vendor and the Vendor will be issued 5,816,419 new A Shares in LFIE (the "**Post Completion**").

Upon the Post Completion, LFIE's capital will comprise 217,783,114 A Shares. CapitaLand's interest in LFIE and the Project Companies will be changed from 46.21% to 44.98%. LFIE and the Project Companies will remain as associated companies of CapitaLand.

The above transactions 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 the above transactions.

By Order of the Board

Low Sai Choy
Company Secretary
21 February 2011