CAPITALAND LIMITED

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

ANNOUNCEMENT

ESTABLISHMENT OF A JOINT VENTURE TO DEVELOP CITADINES GALLERIA BANGALORE

CapitaLand Limited ("**CapitaLand**") wishes to announce that its wholly-owned subsidiary, Ascott International Management Pte Ltd ("**AIM**") has entered into a joint venture agreement (the "**Agreement**") with an affiliate of RMZ Corp (the "**JV Partner**"), to establish a 50:50 joint venture company, RMZ Infopark (India) Private Limited ("**JV Company**").

The JV Company is a company incorporated in India. It will develop a 203-unit serviced residence to be known as "Citadines Galleria Bangalore" on a mixed use land site which is being developed by the JV Partner.

Pursuant to the Agreement, AIM has subscribed for 2,110,000 new equity shares of INR10 each (the "**Subscription**") in the JV Company for a cash consideration of INR151,750,000 (approximately SGD4.36 million) (the "**Consideration**"). The Consideration was arrived at taking into account 50% of the market valuation of the land site for the serviced residence development of INR154,476,475 (approximately SGD4.44 million). The market valuation dated 7 January 2011 was undertaken by an independent valuer, Vadher & Associates which was commissioned by AIM.

The land title rights for the serviced residence development must be injected into the JV Company not later than 41 months from the date of the Agreement (the "**Long Stop Date**"). In the event of the failure to inject the land within the Long Stop Date, AIM has the right to require the JV Partner to purchase all of AIM's shares, or require the JV Company to repurchase all of AIM's shares, in the JV Company for the Consideration and such other amounts of additional equity that AIM may have injected into the JV Company from the time of the Subscription till the time of exercise of this right, subject to applicable law.

Following the Subscription, the JV Company has become a 50% owned associated company 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
27 January 2011