CAPITALAND LIMITED

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

ANNOUNCEMENT

DIVESTMENT OF ASCOTT BEIJING
TO ASCOTT SERVICED RESIDENCE (CHINA) FUND

CapitaLand Limited ("**CapitaLand**") wishes to announce the divestment (the "**Divestment**") of a 21-storey building with 310 apartment units known as Ascott Beijing located in the prime district of Beijing, China (the "**Property**") for a cash consideration of S$205.8 million (the "**Consideration**"). The Divestment has been completed today (the "**Completion**").

CapitaLand's wholly-owned subsidiary, Ascott Investments Pte. Ltd. ("**AIPL**") has sold its entire stake in Hemliner Pte Ltd ("**HPL**") to Splendid Wealth Group Ltd (the "**Purchaser**"), which is a wholly-owned subsidiary of Ascott Serviced Residence (China) Fund ("**ASRCF**"). ASRCF is a private equity real estate fund investing primarily in China. CapitaLand has a 36.1% interest in ASRCF. HPL owns 100% of the registered capital in Hemliner (Beijing) Real Estate Co., Ltd. ("**Hemliner**"). The sole asset of Hemliner is the Property.

The Divestment is consistent with CapitaLand's active capital management.

The Consideration, which is subject to post completion adjustments was arrived at on a willing-buyer willing-seller basis, and comprises, *inter alia*:

(a) the adjusted consolidated net asset value of HPL of approximately S$141.8 million as at 31 March 2011, which takes into account the agreed value of the Property at RMB1,536.5 million (approximately S$297.3 million) among other factors; and

(b) the assignment of the outstanding shareholder's loans of approximately S$64.0 million as at Completion from AIPL to the Purchaser.

CapitaLand's total carrying value of its investments in HPL as at 31 May 2011 was S$80.5 million.

The first 5% of the Consideration has been paid following the Completion and the balance 95% will be paid no later than 31 December 2011 or such other date as may be agreed between the parties.

Following the Completion, HPL and Hemliner have ceased to be wholly-owned subsidiaries of CapitaLand. CapitaLand will have an interest of 36.1% in Ascott Beijing through ASCRF.

Based on the unaudited consolidated financial statements of CapitaLand Group for the three months ended 31 March 2011:

a) assuming that the Divestment was effected on 1 January 2011, CapitaLand's earnings per share would have increased from 2.4 cents to 3.1 cents; and

b) assuming that the Divestment was effected on 31 March 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 Divestment.

By Order of the Board

Low Sai Choy
Company Secretary
18 July 2011