CAPITALAND LIMITED

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

ANNOUNCEMENT

ACQUISITION OF 100% STAKE OF WUHAN KAIHUI REAL ESTATE CO., LTD (武汉凯惠置业有限公司)

CapitaLand Limited ("**CapitaLand**") wishes to announce the acquisition (the "**Acquisition**") of the entire 100% stake (the "**Stake**") of Wuhan Kaihui Real Estate Co., Ltd ("**Kaihui**") for a cash consideration of RMB361 million (approximately S$72 million) (the "**Consideration**") from a party unrelated to CapitaLand. The Stake will be held by CapitaLand through its wholly-owned subsidiary, Bellevale Pte. Ltd..

Kaihui, a company incorporated in China, owns a parcel of land of 124,737 square metres in Caidian District, Wuhan, Hubei Province of China (the "**Land**"). Kaihui plans to develop the Land into approximately 2,000 value homes. The proposed development will be led by CapitaValue Homes Limited ("**CVH**"), CapitaLand's new strategic business unit set up to capitalise on the untapped demand for good value homes in Asia. The proposed development will be the first value homes project in China by CVH.

The Consideration was arrived at on a willing-buyer willing-seller basis, taking into account, the adjusted net asset value of the Stake of RMB361 million (approximately S$72 million) based on the management accounts as at 31 December 2010.

Following the Acquisition, Kaihui has become a wholly-owned subsidiary of CapitaLand.

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
3 June 2011