CAPITALAND LIMITED

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

ANNOUNCEMENT

CONSOLIDATION AND DIVESTMENT OF INTERESTS IN INDIA JOINT VENTURES FOR SERVICED RESIDENCES

---

1. Introduction

CapitaLand Limited ("**CapitaLand**") wishes to announce that to drive its expansion in India, its wholly-owned subsidiaries have agreed to acquire full ownership of four joint venture companies ("**JV Cos**") and to divest its entire interest in one joint venture company. The JV Cos own sites in various cities of India, namely, Ahmedabad, Hyderabad, Chennai and Bangalore, which will be developed into and operated as new serviced residences.

2. Share Purchase Agreement

CapitaLand's wholly-owned subsidiaries, Ascott International Management Pte Ltd ("**AIM**") and Ascott (Mauritius) Company Limited ("**AMC**"), have entered into a share purchase agreement with Rattha Holding Company Private Limited ("**Rattha**") whereby:

(A) AIM has agreed to acquire Rattha's entire interests in the following JV Cos:

	JV Cos	CapitaLand's Current Stake	Acquisition Stake	CapitaLand's Post Completion Stake
(i)	Rattha Citadines Ahmedabad Aparthotel Private Limited	40%	60% representing 3,000,000 shares of INR10 each	100%
(ii)	Rattha Citadines Hitec City Aparthotel Private Limited	49%	51% representing 2,412,249 shares of INR10 each	
(iii)	Rattha Citadines OMR Aparthotel Private Limited	40%	60% representing 28,091,700 shares of INR10 each	
(iv)	Rattha Somerset Whitefield Hospitality Private Limited ("**Whitefield JV**")	40%	60% representing 88,860 equity shares of INR10 each and 1,768,314 preference shares of INR 100 each	

(B) AMC has agreed to sell its entire 40% interest representing 47,500 equity shares of INR10 each and 945,250 preference shares of INR100 each (the "**Divestment Stake**") in its joint venture company, Rattha Citadines Boulevard Chennai Private Limited ("**Porur JV**") to Rattha.

(collectively, the "**Transaction**").

3. Consideration and Completion

The aggregate consideration for the Transaction (the "**Consideration**") which is subject to adjustments, is as follows:

(A) consideration for the Acquisition Stake is INR1,375,691,791 (approximately SGD38.5 million); and

(B) consideration for the Divestment Stake is INR124,001,913 (approximately SGD3.5 million).

The Consideration is arrived at on a willing-buyer willing-seller basis, taking into account the net asset value of the Acquisition Stake and Divestment Stake as of 28 February 2011 of INR1,612,192,280 (approximately SGD45.1 million) and INR169,153,749 (approximately SGD4.7 million) respectively.

Subject to satisfaction of conditions precedent, completion for:

(i) the Transaction (other than for the acquisition of Whitefield JV's Acquisition Stake) is expected to take place by the second quarter of 2011; and

(ii) the acquisition of Whitefield JV's Acquisition Stake is expected to take place by 31 December 2011.

(collectively, the "**Completion**").

The Consideration will be satisfied wholly in cash, payable on Completion and subject to adjustment based on other liabilities of the JV Cos and Porur JV and the bank loan amount owing by Whitefield JV, as at the day before the Completion.

4. Change of Interests in JV Cos and Porur JV

Upon Completion, the JV Cos will become wholly-owned subsidiaries of CapitaLand and Porur JV will cease to be an associated company of CapitaLand.

5. Financial Effects

The Transaction 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.

6. Interests of Directors and Controlling Shareholder

None of the Directors or the controlling shareholder of CapitaLand has any interest, direct or indirect, in the Transaction.

By Order of the Board

Low Sai Choy
Company Secretary
9 March 2011