CAPITALAND LIMITED

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

ANNOUNCEMENT

SALE OF CAPITALAND'S ENTIRE 50% STAKE IN BEIJING RED DIAMOND SCIENCE & TECHNOLOGY DEVELOPMENT LIMITED

CapitaLand Limited ("**CapitaLand**") wishes to announce the sale (the "**Sale**") of its entire indirect 50% stake (the "**Sale Stake**") in Beijing Red Diamond Science & Technology Development Limited ("**BRD**") for a cash consideration of RMB114 million (approximately S$22 million) (the "**Consideration**"). BRD owns a completed office building known as IBM China Centre in Beijing with a total gross floor area of approximately 22,667 square metres (the "**Property**"). The Sale is made as part of CapitaLand Group's ongoing strategy of capital productivity.

CapitaLand's Sale Stake representing registered capital of RMB25 million (approximately S$5 million) in BRD is held through its wholly-owned subsidiary, CapitaLand Commercial (Barbados) Limited, which has entered into a sale and purchase agreement (the "**Agreement**") for the Sale to a party unrelated to CapitaLand.

The Consideration which is subject to post completion adjustments, was arrived at on a willing-buyer and willing-seller basis, taking into account, amongst other factors, the agreed value of the Property at RMB261 million (approximately S$51 million). CapitaLand's carrying value of the Sale Stake based on the management accounts of BRD as of 28 February 2011 was RMB77 million (approximately S$15 million).

The completion of the Sale is subject to the fulfilment of certain conditions set out in the Agreement, including approval from the governmental authorities of the People's Republic of China and is expected to take place by third quarter 2011 (the "**Completion**"). The first 20% of the Consideration has been paid following the signing of the Agreement and the balance 80% will be paid on Completion. Upon Completion, BRD will cease to be an associated company of CapitaLand.

The Sale 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 Sale.

By Order of the Board

Low Sai Choy
Company Secretary
15 March 2011