CAPITALAND LIMITED

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

ANNOUNCEMENT

TERMINATION OF CONDITIONAL SALE AND PURCHASE AGREEMENT FOR DIVESTMENT OF CITADINES ASHLEY HONGKONG AND THE COMPANY MANAGING THE PROPERTY

Further to its announcements dated 4 April 2011 and 30 September 2011, CapitaLand Limited ("**CapitaLand**") wishes to announce the termination ("**Termination**") of the conditional sale and purchase agreement ("**SPA**") for the divestment of the serviced residence property in Tsim Sha Tsui Hong Kong known as Citadines Ashley Hongkong and the company managing the property.

The divestment which was undertaken by CapitaLand's wholly-owned subsidiary, Citadines Ashley TST (Singapore) Pte. Ltd. (the "**Vendor**"), was scheduled for completion on 30 November 2011 or such other date that the Vendor and Golden Stone Management Limited, a party unrelated to CapitaLand (the "**Purchaser**"), may mutually agree in writing ("**Long Stop Date**"). Under the SPA, the completion of the divestment is subject to the fulfilment of certain conditions precedent including the Purchaser obtaining the approval of the shareholders of its Hong Kong listed parent company. The Purchaser has notified the Vendor that it has failed to obtain the approval of the shareholders of its parent company. As it is unlikely that the aforementioned condition precedent will be fulfilled by the Long Stop Date, the Vendor and the Purchaser have mutually agreed to terminate the SPA. Pursuant to the SPA, the Vendor shall return to the Purchaser the first 15% of the consideration of HK$283 million (approximately S$46 million) that had been paid by the Purchaser upon the execution of the SPA, without any interest thereon, and no party shall have any further liability to each other under the SPA.

The Termination 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.

By Order of the Board

Low Sai Choy
Company Secretary
10 November 2011