CAPITALAND LIMITED

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

ANNOUNCEMENT

ACQUISITION OF 100% STAKE IN THE CAVENDISH HOTEL (LONDON) LIMITED

CapitaLand Limited ("**CapitaLand**") wishes to announce that its wholly-owned subsidiary, Ascott St James (Jersey) Limited, has agreed to acquire the entire issued share capital (comprising one ordinary share of GBP1) (the "**Acquisition**") of The Cavendish Hotel (London) Limited ("**Cavendish**") for a cash consideration of GBP68.6 million (approximately SGD134.4 million) (the "**Consideration**") from Ellerman Holdings Limited (the "**Seller**"), a party unrelated to CapitaLand.

Cavendish, a company incorporated in United Kingdom, owns the 230-unit hotel in London, a property known and operated as The Cavendish London (the "**Hotel**") since 1966. The Hotel will be transformed into a serviced residence to be known as "Ascott St James London".

The Acquisition is part of CapitaLand's ongoing strategy to deepen its presence and enhance its real estate portfolio in key growth cities in Asia and Europe.

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

a) the adjusted net asset value of GBP35.2 million (approximately SGD68.9 million), taking into account, amongst others, the agreed value of the Hotel of GBP158.8 million (approximately SGD311.0 million); and

b) the payment of GBP22.0 million (approximately SGD43.1 million) of loans owing by Cavendish to a party related to the Seller.

The completion of the Acquisition is expected to take place by fourth quarter of 2012 or such other date as the parties may agree in writing (the "**Completion**"). A sum of GBP16 million (approximately SGD31.3 million) has been paid and the balance of the Consideration will be paid on Completion. Upon Completion, Cavendish will 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 2012.

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 August 2012