CAPITALAND LIMITED

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

ANNOUNCEMENT

SALE OF CAPITALAND'S ENTIRE 100% STAKE IN BEIJING CAPITALAND XIN MING REAL ESTATE DEVELOPMENT CO., LTD.

CapitaLand Limited ("**CapitaLand**") wishes to announce the sale (the "**Sale**") of its entire 100% stake (the "**Sale Stake**") in Beijing CapitaLand Xin Ming Real Estate Development Co., Ltd. ("**BCXM**") for a cash consideration of RMB502 million (approximately S$97 million) (the "**Consideration**"). BCXM, a company incorporated in the People's Republic of China ("**PRC**"), owns a residential site under development with gross floor area of 14,364 square metre in Beijing's Dong Cheng District, PRC (the "**Property**"). The Sale is made as part of CapitaLand Group's ongoing strategy of capital productivity.

The Sale is made by CapitaLand through its wholly-owned subsidiary, Eider Pte. Ltd. ("**Eider**") which has entered into a sale and purchase agreement (the "**SPA**") with an unrelated third party (the "**Purchaser**"). Eider owns 100% of BCXM's registered capital representing RMB220 million (approximately S$43 million). The sole asset of BCXM is the Property.

The Consideration was arrived at on a willing-buyer and willing-seller basis, taking into account, amongst other factors, the agreed value of the Property at RMB770 million (approximately S$149 million) and settlement of outstanding liabilities (including bank loan) of up to RMB268 million (approximately S$52 million). CapitaLand's carrying value of the Sale Stake based on the management accounts of BCXM as of 30 November 2012 was RMB199 million (approximately S$39 million).

The completion of the Sale is subject to the approval from the PRC regulatory authorities and is expected to take place in the first quarter of 2013 (the "**Completion**"). A sum of RMB5 million (approximately S$1 million) has been paid by the Purchaser and a further sum of RMB20 million (approximately S$4 million) will be paid within five days upon signing of the SPA. The balance of RMB477 million (approximately S$92 million) will be paid on Completion.

Upon Completion, BCXM will cease to be a wholly-owned subsidiary of CapitaLand and CapitaLand is expected to recognise a net gain of approximately S$46 million. Based on the unaudited consolidated financial statements of CapitaLand Group for the nine months ended 30 September 2012:

(1) assuming that the Sale was effected on 1 January 2012, CapitaLand's earning per share would have increased from 15.7 cents to 16.8 cents; and

(2) assuming that the Sale was effected on 30 September 2012, the financial impact on CapitaLand's net tangible asset per share would not be material.

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
14 December 2012