CAPITALAND LIMITED

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

ANNOUNCEMENT

SALE OF THE ENTIRE 20.75% INTEREST IN UNITED MALAYAN LAND BHD

CapitaLand Limited ("**CapitaLand**") wishes to announce that its wholly-owned subsidiaries, Opal Holdings Pte Ltd and Prime Equities Pte Ltd (each, a "**Vendor**" and collectively, the "**Vendors**"), have collectively sold (the "**Sale**") their total 20.75%[1] equity interest in United Malayan Land Bhd ("**UML**") comprising 62,580,625 issued and paid-up ordinary shares of RM1 each (the "**Sale Shares**") to Seleksi Juang Sdn Bhd (the "**Purchaser**"), a party unrelated to CapitaLand, at RM2.50 (approximately S$1) for each Sale Share or at an aggregate cash consideration of RM156,451,562.50 (approximately S$62,594,706) (the "**Consideration**").

UML is a public company incorporated in Malaysia listed on the Main Market of Bursa Malaysia Securities Berhad ("**Bursa Malaysia**"). The principal activities of UML are investment holding and property development. The Sale is consistent with CapitaLand's active capital management strategy. It reflects CapitaLand's disciplined focus on its core markets and its ability to take advantage when the right opportunity to recycle capital presents itself.

The Consideration was arrived at on a willing-buyer willing-seller basis, taking into account, among other factors, the carrying value of each Sale Share of RM1.33 (approximately S$0.53). The market value of each Sale Share based on the closing price of UML as at 11 July 2012 (being the last market day immediately preceding the date of this announcement) is RM2.37 (approximately S$0.95).

The Sale is transacted today by way of Direct Business Transaction on Bursa Malaysia. According to the rules of Bursa Malaysia, settlement will take place on 17 July 2012, being 3 market days after the date of the Direct Business Transaction (the "**Completion**"). Upon Completion, UML will cease to be an associated company of CapitaLand. CapitaLand is expected to recognise a net gain of approximately S$5.9 million for the financial year ending 31 December 2012.

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[1] Based on the voting shares of United Malayan Land Bhd as at the date of this announcement.

In connection with the Sale, the Purchaser has provided an undertaking to the Vendors that if as a result of the Sale, a general offer to purchase further issued shares of UML is triggered and made by the Purchaser pursuant to the Malaysian Code on Take-Overs and Mergers 2010 (the "**Take-Over Offer**") at a final offer price exceeding RM2.50, the Purchaser shall compensate and pay to each Vendor the difference between the final offer price and RM2.50 for each Sale Share sold within 30 days from the completion of the Take-Over Offer. In the event that any compensation is payable, CapitaLand will issue a further announcement.

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 2012.

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
12 July 2012