The Convertible Bonds (as defined below) and the New Shares (as defined below) to be issued upon conversion of the Convertible Bonds have not been, and will not be registered under the United States Securities Act of 1933, as amended (the "Securities Act") and may not be offered or sold within the United States, except pursuant to an exemption from, or transactions not subject to, the registration requirements of the Securities Act. There will be no public offering of the securities in the United States. This announcement is for information purposes only and does not constitute an offer or sale of Convertible Bonds or New Shares to be issued upon conversion of the Convertible Bonds in the United States or any other jurisdiction. Neither this announcement nor any portion hereof may be sent or transmitted into the United States or any jurisdiction where to do so is unlawful. Any failure to comply with these restrictions may constitute a violation of the United States securities law or the securities laws of any such other jurisdiction.

CAPITALAND LIMITED

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

ANNOUNCEMENT

PROPOSED ISSUE OF CONVERTIBLE BONDS

1. INTRODUCTION

CapitaLand Limited (the "**Company**") wishes to announce that it proposes to issue bonds ("**Convertible Bonds**") convertible into new ordinary shares in the capital of the Company ("**New Shares**"). The Convertible Bonds are proposed to be placed with institutional investors and accredited investors. The Company has appointed Credit Suisse (Singapore) Limited and Merrill Lynch (Singapore) Pte. Ltd. (together the "**Joint Lead Managers**") as the joint bookrunners, lead managers and underwriters for the issue of the Convertible Bonds (the "**Issue**").

2. DETAILS OF THE ISSUE

The Company proposes to issue S$650,000,000 in principal amount of Convertible Bonds and may increase the size of the Issue by up to S$150,000,000 pursuant to an upsize option granted by the Company in favour of the Joint Lead Managers, which shall be exercisable within 30 days from the date of this Announcement or up to (and including) the closing date of the Issue (whichever such date is earlier).

The terms of the Convertible Bonds will be confirmed upon the pricing of the Issue, following the completion of a bookbuilding exercise by the Joint Lead Managers.

3. PRICING OF THE CONVERTIBLE BONDS

Pricing of the Convertible Bonds is expected to take place before 0800 hours (Singapore time) on 21 May 2013. An announcement of the definitive terms of the Convertible Bonds will be made by the Company following the pricing of the Issue.

4. STATUS OF CONVERTIBLE BONDS

The Convertible Bonds will constitute direct, unsubordinated, unconditional and unsecured obligations of the Company, ranking *pari passu* without preference amongst themselves. The payment obligations of the Company under the Convertible Bonds will, save for certain specific exceptions and such exceptions as may be provided by applicable legislation, rank at least equally with all its other present and future unsecured and unsubordinated obligations.

5. LISTING OF CONVERTIBLE BONDS AND NEW SHARES

An application will be made to the Singapore Exchange Securities Trading Limited ("**SGX-ST**") for the listing of the Convertible Bonds and the New Shares.

6. CONDITIONS

The Issue is conditional upon, *inter alia*, the approval in-principle of the SGX-ST for the listing of the Convertible Bonds and the New Shares.

7. CLOSING DATE

The closing date for the Issue is expected to be on or about 19 June 2013.

8. USE OF PROCEEDS

The Company expects to use the proceeds of the Issue primarily to refinance its existing indebtedness (including the repurchase of its outstanding convertible bonds) and the balance for working capital.

9. FINANCIAL EFFECTS OF THE ISSUE

The financial effects of the Issue will depend on the terms of the Convertible Bonds and will be disclosed in the announcement to be issued by the Company following the pricing of the Issue.

10. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDER

None of the Directors or the controlling shareholder of the Company has any interest, direct or indirect, in the Issue.

By Order of the Board

Low Sai Choy
Company Secretary
20 May 2013