CAPITALAND LIMITED

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

ANNOUNCEMENT

GRANT OF CONTINGENT SHARE AWARDS

On 14 April 2014, CapitaLand Limited ("**CapitaLand**"), through its wholly-owned subsidiary Sound Investment Holdings Pte. Ltd. ("**Offeror**"), announced a takeover offer ("**Offer**") for all the shares in CapitaMalls Asia Limited ("**CMA**"), with a view to delisting CMA from the Singapore Exchange Securities Trading Limited ("**SGX-ST**") and the Hong Kong Stock Exchange.

On 4 June 2014, CapitaLand and the Offeror announced they had acquired more than 90% of all the issued CMA shares. On 9 June 2014, the Offer closed with CapitaLand and its concert parties holding 98.4% of all the issued CMA shares, entitling the Offeror compulsorily to acquire all the remaining CMA shares at the final Offer price of S$2.35 per CMA share ("**Offer Price**"). The SGX-ST had confirmed that it has no objection to CMA being delisted from the SGX-ST upon completion of the compulsory acquisition.

In announcing the Offer, CapitaLand stated that it proposed to offer holders of awards under the CMA Restricted Stock Plan and Performance Share Plan the right to purchase CapitaLand shares ("**CL Shares**") to preserve the alignment of interest between such holders and CapitaLand Group.

Each such holder was to be offered the right to purchase such number of CL Shares as is equal to (1) the number of CMA shares comprised in his or her CMA share awards multiplied by the Offer Price, divided by (2) the volume-weighted average price per CL Share over the three trading days up to (and including) 11 April 2014, the last trading day prior to the announcement of the Offer, which works out to S$2.87 per CL Share ("**Reference CL Share Price**").

CapitaLand's proposal was stated to be subject to the approval of the directors of CMA who are independent in relation to the Offer. In its deliberations, the independent board committee of CMA decided to settle in cash all CMA share awards up to 4 June 2014, the date on which CapitaLand exceeded the 90% shareholding threshold, at the Offer Price. In light of that, CapitaLand had decided to grant awards under the CapitaLand Restricted Share Plan 2010 and Performance Share Plan 2010 to holders of CMA share awards in respect of, and to substitute, the balance CMA share awards which are not being settled in cash.

The substitute CapitaLand share awards will be granted subject to the same threshold targets and performance period as are applicable to awards granted to employees of similar rank under the CapitaLand Restricted Share Plan 2010 and Performance Share Plan 2010 in the ordinary course. The initial number of CL Shares comprised in the substitute CapitaLand share awards is determined by reference to the Reference CL Share Price (and, consequently, the market price (last done) of CL shares on the date of grant (20 June 2014) included in the tables below is given for information purposes only). As with the initial proposal, the Securities Industry Council had confirmed that the substitute CapitaLand share awards do not constitute a "special deal" in relation to the Offer.

A summary of the substitute CapitaLand share awards is set out below:

I CapitaLand Restricted Share Plan 2010

(a)	Date of grant	20 June 2014
(b)	Number of shares comprised in the awards (including the shares in (d) below)	3,659,684*
(c)	Market price (last done) of CapitaLand shares on the date of grant	S$3.22 per share
(d)	Number of shares comprised in the awards granted to each director and controlling shareholder (and each of their associates), if any	Nil

** The final number of shares vested and released will depend on the achievement of pre-determined targets at the end of a one-year performance period as at 31 December 2014 and the vesting and release will be over a vesting period of three years. No shares will be vested and released if the threshold targets are not met at the end of the performance period. On the other hand, if superior targets are met, more shares than the baseline award could be delivered up to a maximum of 150% of the baseline award. On the final vesting, an additional number of shares based on the dividend yields which are declared during each of the vesting periods and deemed foregone due to the vesting mechanism of the CapitaLand Restricted Share Plan 2010, will also be vested and released.*

II CapitaLand Performance Share Plan 2010

(a)	Date of grant	20 June 2014
(b)	Number of shares comprised in the awards (including the shares in (d) below)	Award A: 215,237 Award B: 675,064 Award C: 1,280,740 Total: 2,171,041#
(c)	Market price (last done) of CapitaLand shares on the date of grant	S$3.22 per share
(d)	Number of shares comprised in the awards granted to each director and controlling shareholder (and each of their associates), if any	Nil

 # The final number of shares vested and released under the respective awards will depend on the achievement of pre-determined targets over the remaining relevant performance periods, starting from 5 June 2014 to the end of the relevant performance periods (being 31 December 2014 for Award A, 31 December 2015 for Award B and 31 December 2016 for Award C) for the respective awards. No shares will be vested and released under the relevant awards if the applicable threshold targets are not met at the end of the relevant performance periods. On the other hand, if superior targets are met, more shares than the baseline award could be delivered up to a maximum of 175% for Award A and Award B; and 170% for Award C of the relevant baseline awards.

By Order of the Board

Michelle Koh
Company Secretary
23 June 2014