CAPITALAND LIMITED

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

ANNOUNCEMENT

ACQUISITION OF ADDITIONAL 80% INTEREST IN CAPITALAND (BEIJING) KAI HENG HOLDINGS PTE. LTD.

CapitaLand Limited ("**CapitaLand**") wishes to announce that its wholly-owned subsidiary, Hua Fa Holdings Pte. Ltd. ("**HFH**") has signed an agreement to acquire (the "**Acquisition**") an additional 80% interest (comprising eight ordinary shares) (the "**Acquired Shares**") in CapitaLand (Beijing) Kai Heng Holdings Pte. Ltd. ("**CBKH**") from CapitaLand China Development Fund Pte. Ltd. ("**CCDF**"). The cash consideration for the Acquisition is RMB220.2 million (approximately S$45.1 million) (the "**Consideration**"). Currently, HFH holds a 20% interest in CBKH.

The Acquisition is part of CapitaLand's ongoing business development and is in line with CapitaLand's strategy to further strengthen its presence in the People's Republic of China ("**PRC**").

CapitaLand has a 37.5% interest in CCDF which invests in the PRC. CCDF is a Singapore incorporated private equity real estate fund sponsored and managed by CapitaLand.

CBKH owns a 100% economic interest in Beaufort, a residential development site located at Chaoyang District, Beijing (the "**Site**") held through Beijing Heng Shi Tong Fang Real Estate Development Co., Ltd. ("**HSTF**"), a PRC incorporated company, in which CBKH owns a 95.52% interest.

The Consideration was arrived at on a willing-buyer and willing-seller basis, taking into account, amongst other factors, the adjusted consolidated net asset value of the Acquired Shares of approximately S$60.0 million which in turn takes into account the following:

(i) an agreed valuation of RMB96 million (approximately S$19.6 million) based on valuations of independent valuers commissioned by the Board of Directors of CCDF and the Investment Committee of CCDF on the undeveloped portion of approximately 5,000 square metres gross floor area of the Site; and

(ii) HSTF's share capital reduction by RMB284.5 million (approximately S$58.2 million) to return excess capital to its existing shareholders.

Completion of the Acquisition is subject to the fulfillment of certain conditions precedent which include satisfactory due diligence outcome. The Acquisition is expected to complete by the second quarter of 2015 (the "**Completion**"). Payment of the Consideration will take place on Completion.

Upon Completion, CapitaLand's interest in CBKH will increase from 50% to 100% and CBKH will become a wholly-owned subsidiary of CapitaLand. CapitaLand's interest in HSTF will also increase from 47.76% to 95.52% and HSTF will become a 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 2014.

None of the Directors or the controlling shareholder of CapitaLand has any interest, direct or indirect, in the Acquisition.

By Order of the Board

Michelle Koh
Company Secretary
16 April 2014