



CAPITALAND LIMITED

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

ANNOUNCEMENT

DIVESTMENT OF 1 GEORGE STREET

1. Introduction

On 27 March 2008, CapitaLand Limited (the "Company") announced that its indirect wholly-owned subsidiary, George Street Pte Ltd ("GSPL") had on 26 March 2008 entered into a conditional call option agreement (the "Call Option Agreement") with HSBC Institutional Trust Services (Singapore) Limited as CapitaCommercial Trust ("CCT")'s trustee (the "CCT Trustee"), pursuant to which GSPL granted the CCT Trustee a call option (the "Call Option") to acquire the office building known as 1 George Street, Singapore (the "Property") for a total consideration of S\$1.165 billion (the "Consideration"). The exercise of the Call Option was subject to the approval of the unitholders of CCT (the "Unitholders") at an extraordinary general meeting ("EGM") to approve the acquisition of the Property by CCT (the "Unitholders' Approval").

CCT had on 27 June 2008 announced that the Unitholders' Approval was obtained at the EGM held on 27 June 2008. Pursuant to the terms of the Call Option Agreement, the CCT Trustee has today given written notice to GSPL of the Unitholders' Approval and exercised the Call Option, specifying 11 July 2008 as the date of completion of the sale and purchase of the Property (the "Completion Date").

Pursuant to the exercise of the Call Option, GSPL, the CCT Trustee and CapitaLand Commercial Limited ("CCL") have today entered into the sale and purchase agreement for the sale of the Property ("SPA", with GSPL as the vendor, the CCT Trustee as the purchaser and CCL as the guarantor).

2. The SPA

Under the SPA, CCL shall deliver to the CCT Trustee on Completion Date, a duly executed deed to provide yield protection to CCT to ensure a minimum net property income per annum for the Property of S\$49,512,500, translating to a yield protection calculated at 4.25% per annum of the Consideration for a period of five years commencing from (and including) the Completion Date and ending on the day immediately preceding the fifth anniversary of the Completion Date.

3. Documents Available for Inspection

A copy of the SPA is available for inspection by the Company's shareholders during normal business hours at the Company's registered office at 168 Robinson Road, #30-01 Capital Tower, Singapore 068912 for a period of three months from the date of this announcement.

By Order of the Board

Ng Chooi Peng
Assistant Company Secretary
2 July 2008